

INDIAN CUSTOMS TARIFF 1931

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OFFICE OF THE HIGH COMMISSIONER FOR INDIA.

INDIA HOUSE, ALDWYCH,

LONDON, W C 2

No T. 91633

11th July, 1934

*From The High Commissioner for India
London**To The Secretary to the Government of India,
Department of Commerce,
Simla*

Sir,

I am directed by the High Commissioner to forward herewith for the information of the Government of India a report by Mr S. N. Gupta, I C S., Indian Trade Commissioner at Hamburg, on the work of his office during the year ended 31st March, 1934.

2 In an interesting chapter entitled "Trade Developments and Tendencies" Mr Gupta summarises the principal economic developments which have occurred during the year in the areas of Northern Europe for which he is responsible. He draws attention to the contrast between the renewed industrial activity on the one hand and on the other hand the continued or increasing slackness of international trade. The objectives and results of the World Economic Conference which was held in London during June and July, 1933, are described and also the effects on Indian trade of restrictions on the importation into various Continental countries of agricultural products and other raw materials essential to industry. The High Commissioner recognises with Mr Gupta, that these restrictions are special devices created to meet special conditions, and echoes the hope that with the removal of these conditions when normal times return the restrictions will also disappear.

3 In Chapter IV of his report, Mr Gupta draws attention to the fact that commodity prices showed welcome indications of an upward tendency during the year under review. It is still too early to prophesy, but the High Commissioner agrees that many of India's staple commodities had improved their position in the world's markets by the Spring of 1934 in comparison with the Spring of 1933, so far at least as actual prices are concerned.

4 The Indian Stand at the Leipzig Spring Fair, in which the Indian Trade Commissioner Hamburg, participates annually, continues to attract attention and to stimulate enquiries. It is interesting to note that the experience of participation at Leipzig, as at exhibitions and fairs in the United Kingdom, tends to

show that Indian manufactures such as carpets, sports goods, cotton and silk textiles, etc., are popular; indeed, the High Commissioner observes that enquiries for sports goods at the Leipzig Fair were more numerous than for any other class of goods, on the part of buyers whose enquiries were for specific commodities and not merely for general information. The report contains other evidence also of the practical value afforded to Indian exporters of the work carried out by the Indian Trade Commissioner at Hamburg.

5. In conclusion I am to commend to the Government of India the praiseworthy services rendered by Mr. Gupta during another year of depressed and difficult trade.

I have the honour to be, Sir,

Your most obedient Servant,

A. M. GREEN,

Deputy High Commissioner.

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ANNUAL REPORT OF THE INDIAN GOVERNMENT TRADE COMMISSIONER, HAMBURG, 1933-1934.

Chapter I.—Organisation and Functions

The year 1933-4 marks the third year of the Office of the Indian Trade Commissioner at Hamburg and this report is the third which I have written. I held charge of the post of Trade Commissioner for the entire period under review. Mr C O Moeder, the Chief Clerk of the Office, acts as Trade Commissioner whenever I am away from Hamburg on duty or short leave. The original lease of three years for the office premises at Neuer Jungfernstieg No 9 expired on the 31st March 1934, but prior to expiry it was renewed for a further period of two years i.e. up to the end of March, 1936. All communications intended for the Indian Government Trade Commissioner should, therefore, continue to be addressed to Neuer Jungfernstieg No 9. It may be useful for business enquirers in India to know that the cable address of this office is GOVINDIACOM, Hamburg. It should, however, be clearly understood that when a firm in India desires this office to cable out a reply to its enquiry, the firm must be prepared either to send a prepaid cable or to reimburse this office on account of cable charges incurred.

The following centres were visited in the course of the year on official business: Berlin, Paris, Brussels, Antwerp, Rotterdam, Bremen, Leipzig, Cologne and Frankfurt. Close touch has been maintained throughout the year with the British Embassies and Legations at Berlin, Paris, Warsaw, Brussels, The Hague, Prague, Copenhagen, Stockholm, Oslo and Berne. The advice, assistance and information received from H B M Commercial Counsellors and Secretaries at these places has been of the greatest value to me in my work. I have also found it necessary to go over to London occasionally to obtain personally the help and guidance of the High Commissioner and the Indian Trade Commissioner in London in several matters connected with Indian trade to the Continent.

For the information of the business public in India it will be as well to recapitulate the main functions of the Office of the Trade Commissioner at Hamburg —

- (1) It attends to enquiries received from exporters in India regarding markets for goods, introductions to Continental importers, testing of samples, and market and general information.

- (ii) It deals with enquiries received from Continental importers regarding introductions to exporters in India, commercial and general information on markets, crops, specific commodities, etc.
- (iii) It assists Indian importers who are desirous of seeking connections with Continental manufacturers and exporters of finished goods, provided such goods are not in competition with similar goods of Indian manufacture.
- (iv) It maintains up-to-date registers and card-indexes of reliable Continental importers, Indian exporters and Continental manufacturers and exporters, for the purpose of dealing with enquiries under (i), (ii) and (iii).
- (v) It participates in trade fairs, maintains a permanent exhibition of Indian products and manufactures, and a library of commercial publications, and performs general publicity work by way of photographs, lantern slides, pamphlets and press interviews.
- (vi) It furnishes reports to Government departments and offices in India who seek its assistance on various matters connected with commerce and trade. Weekly and quarterly reports are also sent to the Director-General of Commercial Intelligence and Statistics, Calcutta, the latter being published in the "Indian Trade Journal."
- (vii) It deals with "Claims" cases and trade disputes generally between Continental importers and Indian exporters.

Once again exporters and importers in India are invited to address their trade enquiries in the first instance to the Director-General of Commercial Intelligence, Calcutta, as all replies to enquiries under points (i) and (iii) above are sent to his Office for transmission to the enquiring firm. This procedure ensures that the Director-General has in his possession already most of the information that is sought for by the enquirer, and the latter will save much valuable time by prior reference to the Commercial Intelligence Office in Calcutta. In any case that Office will immediately approach the Trade Commissioner in Hamburg for any additional information that may be required to complete the information already on record in the office files. Enquiries in India are, therefore, advised in their own interest to make preliminary application to the Director-General of Commercial Intelligence. Exporters and manufacturers in European countries should consult their respective consular officers in India for assistance and information in regard to markets in India for their

manufactured goods. The Chapter in this Report dealing with the Leipzig International Spring Fair and Indian participation therein should prove of special interest to Indian manufacturers of those classes of goods for which markets in European countries are desired, to this end the Trade Commissioner's Office is anxious to establish close and friendly contact with Indian manufacturers of enterprise and foresight.

Chapter II.—Trade Developments and Tendencies.

One of the notable features of the world economic depression of the past four and a half years has been the number of times that some temporary recovery in business and prices has been followed by a fresh relapse, dashing to the ground the slender hopes that were at the time raised that the worst was now over and trade would improve. So often have expectations been falsified by subsequent events that the world has not unnaturally come to treat with scepticism and severe caution any prophecy or forecast suggesting that the deluge has come to an end and that brighter skies are on their way and that the sun will before long be peeping out. There is however a great deal of difference between a speculative anticipation based merely on the uncorrelated facts and figures of a few weeks and a retrospective study of economic phenomena and tendencies spread over a period of the last two years and embracing within the scope of its survey the trade statistics of thirty countries in different parts of the world. The League of Nations published in October, 1933 a document entitled "World Economic Survey 1932-33" which sets out the course of economic conditions in various countries, quarter by quarter, since the middle of 1931. The League Survey shows that by the third quarter of 1933 trade and industry had improved in most countries of the world and that though the rate of progress may vary from one country to another the improvement has, nevertheless, been steady and universal. According to the Survey the turning point in the depression occurred at the end of 1931 in Australia and India. There was an improvement in the United Kingdom at the end of 1931 and the beginning of 1932. In the second half of that year the improvement spread to France, Belgium, Germany, Sweden, Japan and New Zealand. In the beginning of 1933 Switzerland, Italy and South Africa began to revive, and since then there has been progress in America, Canada, Denmark and Holland. By the middle of 1933 only six countries showed no appreciable signs of recovery, Austria, Norway, Greece, Roumania, Argentine and Brazil. The recognised indicators in almost all cases point in the direction of improvement and the year 1933 may well go down in economic

history as marking the turning point in the world depression, which originated in 1929. The indices of employment, industrial production, bank deposits and clearances, wholesale and retail prices, railway freight traffic, etc., record improvements in the great majority of countries. Apart from statistical tables, it is only necessary to take in review the major industrial countries of the world to see that in each one of them increased activity in production, exchange of goods, and consumption is to be observed during the year under review. Great Britain, America, Germany, France, Italy, Canada, can each of them, during the last 12 months, show substantial internal industrial improvement.

It is at this point that we come to the characteristic feature of the year under review. While on the one hand increased industrial activity is to be recorded in all the major countries, international trade and commerce on the other hand has not kept pace with it and has tended to lag a good way behind. On all sides one may observe welcome signs of industrial revival and the wheels of industry revolving at a rapidly increasing pace, and if these observations were confined to industry alone, one might be tempted to come to the conclusion that all was again well with the world and the economic crisis a matter of past history.

But in reality the picture is not nearly so rosy and promising, and a second glance round the world at the condition of international trade would at once serve to correct any over-optimistic judgment based merely on a survey of industrial activity. How, then, does it come about that the two phenomena of renewed activity in industry and halting international trade exist side by side and at the same time? The explanation is not a difficult matter, and brings out in relief the causes which are responsible for the co-existence of two apparently inconsistent states of affairs. The industrial revival in the several countries is essentially internal in character and has been brought about by a purely domestic demand. During the course of an economic depression, when prices are falling continuously and trade is almost stagnant, demand and consumption both fall away and no one wishes to embark on new expenditure. But if the depression is a prolonged one, then a time is bound to come when everything is in need of renewal or replacement. This time came during 1933 all over the world, and the industrial activity of 1933 represents largely the necessity of renewals, repairs and replacements in every country, and was mainly in response to domestic demand. When all is well with the world and economic crises non-existent, the wheels of industry go round very largely on account of international demand for manufactured goods. The great agricultural countries draw freely on the industrial countries for supplies of finished goods, and in a great many instances the

industry of one country is complementary to that of another. But during the year under review there was no such international demand, and the main consumers of a particular country's industrial products were the inhabitants themselves. The activities of the several industrial countries were carried on in water-tight compartments, so to speak, and were for that reason unaccompanied by any corresponding degree of increase in international commerce. This internal demand was in many cases stimulated by direct Governmental action, the main objectives of which were the increase of employment and the revival of industrial activity within the country.

Over and above the tendencies alluded to above high tariffs, exchange controls, import quotas, licences and prohibitions and a host of similar devices still lumber the path of international trade and check the natural exchange of goods between one country and another. It augurs well for the future that international commerce has, despite these severe restrictions managed to improve to a slight extent during the year under review. For the first time since the commencement of the depression in 1929 it has been possible to record in 1933 some improvement in the export and import statistics of several countries. It cannot be doubted that, had the various trade restrictions been absent international trade would in 1933 have gathered up far greater momentum under the stimulus of the industrial revival in the various countries, while on the other hand it may be affirmed with equal emphasis that industrial activity would have gained additional force from an improvement in international commerce. The question remains as to how these two tendencies are to be harnessed together to the mutual benefit of both. It is probably not too much to hope that some day the hard lessons of experience will compel the Governments of the world to recognise that the prosperity of nations is interdependent and cannot be restricted in separate water-tight compartments. That day will be brought appreciably nearer when it is generally realised that a greater volume of trade between the countries of the world will inevitably create increased industrial activity in every country, with its resultant improvement in employment and a far higher standard of prosperity both governmental and individual. Narrow nationalistic policies in the sphere of economics which hinder the free flow of commerce from one country to another are in the long run certain to curb industrial revival and lead to a lowered standard of living throughout the world. It is also not improbable that the internal improvement which is taking place in many countries will, when it reaches a certain point, tend to overflow into the streams of international trade. Indeed nothing of the sort has already begun to take place otherwise

it would not be possible to observe the improvement that has taken place in the foreign trade of so many countries. The natural forces which lie behind this greater activity in the movement of goods between nations will undoubtedly gather additional momentum when the artificial restrictions placed upon international trade are gradually removed in the near future.

Mention has already been made of the fact that during the year under review wholesale prices, and more especially primary commodity prices, have shown more sustained improvement than at any time since the beginning of the depression. If prices in the middle of September, 1931, when the United Kingdom abandoned the gold standard, be taken as the equivalent of 100, the following index numbers will be found to display the trend of commodity prices during 1933-34:—

Average price	September	April	July	October	February
1926.	1931.	1933.	1933.	1933.	1934.
210	100	98	119	114	118

These figures clearly indicate that the advance in prices in 1933 is something more than a mere flash in the pan and reflects rather an improvement in demand and consumption. While we are still a long way behind the pre-depression average level of prices, e.g., in 1926, which has been the proclaimed objective of President Roosevelt's price-raising policy during the past year, it is permissible to congratulate ourselves on the fact that the world seems to have gradually climbed out of the morass that had engulfed all countries between 1929 and 1932, and that in 1933 we are all standing on firmer and higher ground. In spite of the slight set-back that occurred in the third quarter of 1933, commodity prices have throughout the period under review moved on a consistently higher level than at any other previous period of the depression and have displayed far more buoyancy and much greater powers of resistance against depressing factors.

That this improvement was no fortuitous one based merely on speculation or slender hopes of better times may readily be seen from the fact that the meagre results of the World Economic Conference failed to check the upward movement of prices and from the further fact that the improvement has been maintained more or less continuously till the end of the year under review. Between April and July last year American manufacturers under the stimulus of the Roosevelt recovery programme drew widely on all the commodity markets of the world to satisfy their raw material requirements in anticipation of the general revival in America. In fact, so strong was this movement on the part of American industry, that unusually heavy stocks of raw materials began to accumulate in the United States by the end of July, and as it was found impossible to liquidate them by utilising them

in increased industrial production, these large stocks had effect of depressing commodity prices for a short period September and October. Between October and March, however, wholesale prices gradually recovered their previous buoyancy and a renewed advance in prices continued without interruption till the end of the review year. By that time as has already been observed, primary commodity prices had improved by nearly 20% as compared with September 1931 and the reassuring feature of this improvement was its steady continuity throughout the period under review.

In a general recognition that the present economic crisis was different in character and scope from previous trade depressions and that its solution had to be approached by the joint efforts of all the nations lies the *raison d'être* of the World Economic Conference held during June and July 1933 in London. Apart from the results achieved by the Conference the mere fact that all the nations of the world met together to discuss common economic and monetary problems and endeavoured to arrive at a joint solution of those problems is itself an event of immense significance in economic history. The tangible results of the Conference may perhaps have been disappointing but the closer understanding of the world's problems gained by the statesmen as a result of concerted discussion and examination constituted an important advance towards the recovery of universal confidence. In any case much useful exploratory work was achieved by the various committees of the Conference and monetary and economic principles were laid down which will not only give substantial aid to future discussions of the same problems but will also serve as useful guides in the formulation of actual policies in the different participating countries.

The opening of the Conference was on the whole auspicious. The Tariff Truce to call a halt to increases in tariffs for the duration of the Conference was successfully negotiated and the adherence of all the major countries was obtained thus ensuring a favourable atmosphere for the examination of tariff and allied problems. Exchange stabilisation was the rock on which the Conference foundered. In the words of the Conference Bureau "a temporary understanding during the present period of uncertainty regarding exchange ratios was found to be an essential condition for the discussion of the full programme of the Conference by all the delegations." In the event the European gold standard led by France asserted that unless currencies were stabilised in relation to each other it would be impossible to reach any decision on the other major problems confronting the Conference. President Roosevelt decisively rejected this contention and recommended to the Conference that the real problems to

be dealt with were the evil of falling prices and the methods to be employed in counteracting this evil. It is not surprising that deadlock was reached on the question of currency stabilisation. France and the United States came to the Conference with fixed but opposing policies. The policy of the Roosevelt administration was definitely inflationary, aiming at raising prices to the level of 1926; while French policy, on the other hand, was definitely deflationary, the objective, in the case of France, being to bring down commodity prices further or to keep them down to the level reached in 1933 after three years of deflation.

The emphatic rejection by President Roosevelt of all proposals to stabilise exchange ratios even temporarily led to the formation of a bloc of European countries which still adhered to the gold standard. The countries forming the bloc were France, Holland, Belgium, Poland, Switzerland and Italy. They conferred together and issued a joint declaration to the effect that all necessary steps would be taken by them to protect themselves and each other against all attacks on their currencies which might tend to drive them off the gold standard. The declaration emphasised the firm intention of these countries to remain on the gold standard.

The economic and monetary policy of the British Government at the Conference was clearly set forth in Mr. Chamberlain's speech at the beginning of the Conference. It may be summarised as follows:—It is essential to bring about a recovery in the world level of wholesale prices sufficient to yield an economic return to the producers of primary commodities and to restore equilibrium between costs and prices of production generally. Deflation means untold misery and must cease. The fundamental monetary condition of the recovery of prices was that credit should be made available by a policy of cheap money and that such credit should be actively employed. The central banks should undertake to co-operate in this policy. The policy of cheap and plentiful money should be clearly announced and vigorously pursued. Great Britain recognises the importance of the stability of exchange rates. This should be attained in two stages. The immediate objective should be approximate stability so that trade should not be hampered by violent fluctuations. As to the second stage the ultimate aim of monetary policy should be the restoration of a satisfactory international standard, and there was no doubt that a properly worked gold standard seemed to be generally acceptable. The gold standard should in the future be so administered that wide fluctuations in the purchasing power of gold would be to the greatest possible extent prevented.

Subsequent to the deadlock on the question of stabilisation the Conference proceeded to put in a great deal of very useful work in committee. In regard to co-ordination of marketing and

production it was agreed that such schemes must (i) apply to commodities of great importance of which excessive stocks exist, (ii) be comprehensive including, if necessary, substitutes and related products, (iii) have the support of a substantial majority of producers, (iv) be fair to consumers (v) be administratively practicable, (vi) be of adequate duration (vii) be flexible, (viii) encourage efficient production.

Committee worked on the

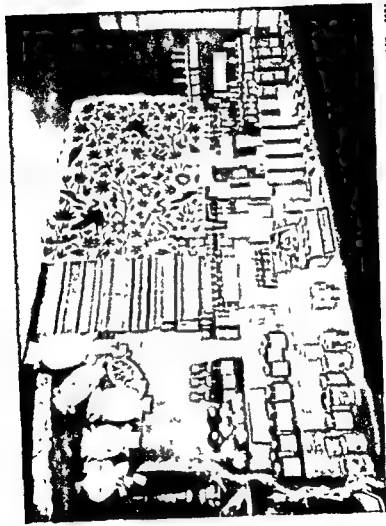
Some nations insisted on retaining full liberty of action regarding quotas exchange controls or tariffs, others held that a constructive policy could be worked out to indicate measures to be taken when stability had been reached. The quantitative restrictions on the exchange of goods was universally condemned in principle but defended in practice in certain cases either as applied to agricultural products pending international agreement on the organisation of production or as the means of carrying out such organisation. Regarding tariff policy in general three points of view were prominently put—(i) That multilateral reductions alone can attain desired results (ii) that customs duties can be lowered only by bilateral treaties and (iii) that both methods are capable of adoption. The most favoured nation principle in its fullest and widest form was generally favoured as the easiest method of securing general lowering of duties through bilateral negotiations. In regard to the Gold Standard the committee of the Conference unanimously advocated re-establishment of international monetary stability through the gold standard 'time and parity' being for each country to determine. The following principles were laid down in connection with the working of a future gold standard (i) The gold bullion standard should be adopted (ii) A minimum reserve ratio of 2½ is sufficient and greater elasticity in central bank cover provisions is desirable (iii) Independent Central Banks are essential and the BIS should be an instrument of common action (iv) Gold movements which reflect disequilibria in balance of payments should be freely permitted and Central Banks should endeavour to reduce fluctuations in business activity and in the purchasing power of gold.

At the conclusion of the World Economic Conference there occurred two events of major importance, in both of which India participated. A memorandum of agreement was signed by Conference delegates representing India China and Spain 'as holders of large stocks or users of silver' and of Australia Canada, the United States Mexico and Peru 'as principal producers of silver'. This agreement provides that for a period of four years beginning January 1st 1934 the Indian Government shall not sell more than 140 000 000 fine ounces of silver 'based on an average of 35 000 000 fine ounces a year', the

Spanish Government shall not sell more than 20,000,000 fine ounces, or an average of 5,000,000 a year; and the Chinese Government "shall not sell silver resulting from demonetised coins." For their part, the Governments of Australia, Canada, the United States, Mexico and Peru engage during the life of the agreement not to sell any silver and in the aggregate to "purchase or otherwise arrange for withdrawing from the market 35,000,000 fine ounces of silver from the mine production of such countries in each calendar year," the share of each being agreed between them, and the metal purchased or withdrawn being used for currency purposes "either for coinage or for currency reserves." This agreement will make little change in the volume of the annual Indian sales, but it will relieve the market of the uncertainty which must prevail when no fixed engagement exists, will benefit the producing countries by its effect on the market, and will be welcome in China as giving promise of more stable value.

The second event in which India took part was the extremely important joint public declaration on monetary and economic policy made by all the Empire Governments at the close of the Conference. This declaration is intended to be read in conjunction with and regarded as a sequel to the declaration made by the Empire Governments at the Ottawa Conference in August, 1932. It is unnecessary to reproduce the details of the second Empire declaration as it follows in its main essentials the economic and monetary policy enunciated by Mr. Chamberlain at the outset of the Economic Conference. It states also the satisfaction of the signatories "that the Ottawa Agreements have already had beneficial effect on many branches of inter-Imperial trade and that the process is likely to continue as the purchasing power of the various countries concerned increases." "The delegations reaffirm their conviction that the lowering or removal of barriers between the countries of the Empire provided for in the Ottawa Agreements will not only facilitate the flow of goods between them, but will stimulate and increase the trade of the world."

Turning now from international events to the internal economic situation in Germany during the year under review, the phenomenon which undoubtedly overshadows everything else in Germany is the political and economic reorganisation of the country in harmony with the principles of National Socialism. In the National-Socialist philosophy, politics and economics form part of one whole—the corporative State—and cannot be divided into water-tight compartments. The one cannot be understood except in relation to the other. At this point it may be stated at once that National Socialist practice in the domain of economics has so far fallen far short of National-Socialist ideology. Accord-



EXHIBITION OF INDIAN CHUTNEYS, PRESERVES, CURRY POWDERS, LEIPZIG FAIR, 1914

ing to the latter the economic system of Germany was to be re-organised on a corporative basis. There were to be five vertical corporations, or "estates" of industry, handicrafts, agriculture, commerce, and the professions—through which the Labour Front (the single labour organisation) would horizontally pass. During the first year of its rule, National-Socialism has found itself unable to carry out this great scheme of economic reorganisation. It is only after the close of the year under review that the authorities have made a tentative beginning with this ambitious programme by appointing leaders for the vertical groups referred to above. The details of reorganisation are still a matter for the future.

The two outstanding achievements of the National-Socialist regime during the year under review in the economic sphere are the intensive co-ordination of all organised bodies, including Chambers of Commerce, Stock Exchanges, Federation of German Industries, the Federations of the iron and steel industries, wholesale and retail trade associations etc. and the organisation of all German workers, industrial, agricultural and professional in a single "Labour Front". Beyond this, little or nothing was attempted by way of changing the foundations of the present German economic system, except in regard to agriculture, where agrarian laws establishing fixed grain prices and virtual State control of field cultivation thereby have been promulgated. In this connection, the views of Chancellor Hitler in a speech delivered in the Reichstag in January, 1934, are of interest — "Just as we overcome the symptoms of political disintegration in our people so have we already undertaken in the course of this year the fight against the symptoms of economic decay. When, on the 21st March last year, I gave the order to occupy the headquarters of the trade unions on the 2nd May and to convert these strongholds of class madness into bulwarks of national labour, it was not done to deprive the German worker of an institution of value to him, but to pave the way for the entire German people to an industrial peace which will benefit all in future." "The application of the principles of National-Socialism in the domain of economics was all the more difficult because three pressing tasks had to be undertaken at once. (i) It was necessary in order to rescue the peasantry who were in danger of complete ruin, to adopt commercial measures of price control, and to pass legislation giving the peasantry once more powerful support. (ii) The constant spread of general corruption necessitated an immediate freeing of our economic life from unscrupulous speculation and profiteering. (iii) The task of finding work again for 6½ millions of unemployed persons forbade the adoption of theories." In a speech last December, the German Economic Minister stated: "It would be incompatible with the National-Socialist spirit to expect any throttling or forcing to a common

level. The Economic Minister could not be expected to lay shackles on individual branches of trade and industry or to put them under trusteeship. They must strive for an organisation in which trade and industry administered themselves and maintained as far as possible the capacity of the individual. He hoped the corporative organisation of German economic life would be begun next year; they would develop existing institutions and limit the activity and enterprise of the individual no more than was necessary in the interest of the whole."

These quotations are of great significance as showing that National-Socialist idealism has in the first year of power come up against hard economic realities and has had to call a halt by the way and modify its programme more in accord with economic facts. The first line of attack in the general offensive against the unemployment problem consisted in the reorientation of German monetary and financial policy with special reference to the German industrial system. In the view of the German Finance Ministry in the first half of 1933 "the Budget had to be balanced by dealing directly with economic conditions, and there had to be a break with all measures of a deflationary nature." In harmony with this view the aim of Chancellor Hitler's Government has during the year under review been to put fresh life and energy into German industry, so that increased activity in production should account for the reabsorption of a large proportion of unemployed persons into the industrial system. For this purpose the State has directly subsidised industries to a substantial extent and has also taken an active part in initiating numerous schemes of public expenditure and works. The subsidisation of industries has taken the form of "taxation remission certificates," and separate credits have been assigned for expenditure on public works. The results of this policy have certainly been remarkable. German industrial production has revived and increased to a degree that would have been unbelievable eighteen months ago. Certain industries are more prosperous than others, e.g., the automobile industry under the stimulus of the motor tax abolition is working to record capacity, but the revival is fairly general over the whole industrial field. Increased activity in production is also balanced by a revival in domestic demand, due to the reflationary policy now being pursued by governmental and banking authorities. A vigorous programme of Public Works is also being carried through with rapidity and energy, the item in this programme receiving the greatest public attention being the building of new motor roads all over Germany.

During the year under review the course of Germany's long and medium debts has been rough and full of alarms. In June, the Reichsbank announced that Germany would declare a transfer moratorium for all payments abroad except those falling under

the "standstill" agreement. After some negotiations between the creditors and German debtors the German decision was modified and it was agreed that for the period 1st July to 31st December, 1933, half the amounts due on the long and medium term loans would be transferred abroad into foreign currencies, the other half being paid in marks into the Konversionskasse in the creditor's name. In December the Reichsbank announced that due to losses in its holdings of foreign exchange and the deterioration in the export surplus position it was decided that as from the 1st January 1934 transfers would be made only up to 70% of payments due the remainder being paid in, as usual, in marks to the Konversionskasse. At the end of the review year, the alarming position of the German trade balance caused the Reichsbank to announce that Germany would no longer be able to make any transfers in the future. In regard to the short term credits to Germany covered by successive 'standstill' agreements, the latest agreement was signed on February 28th, 1934, and runs up to February 1935. The report embodying this new agreement draws attention to the fact that there was a further big reduction in the total of standstill credits during the year 1933 and states that if more normal conditions were to return, Germany's existing short term debt could not be considered to be at all beyond her capacity to support. In the Annex to the Report there is a description of the 'additional exports' system, a special method of encouraging exports financed by scrip and registered marks. Germany contends with some reason, that debts must in the long run be repaid in the shape of goods and services and that her 'additional exports' represent a fulfilment of this economic truth. She maintains that in any case her loan repayments can only be financed from her export surplus and a system which augments that surplus is to the benefit of her creditors.

Brief reference was made in last year's annual report to the measures of the German Government in March and April, 1933 which brought within the scope of the monopoly control system all animal and vegetable fats, oils, margarine, oilseeds, oilcakes, feeding stuffs and grain. These measures were undertaken in pursuance of the agricultural policy of this and previous Governments, the central point of which has been to rescue the German farmer from impending bankruptcy and set him on his feet again by assuming control of agricultural produce prices and rationing the imports of commodities which come into competition with farm production. The subsidisation of agriculture by these and other methods has no doubt, achieved its aim in rehabilitating the German farmer and bringing back some measure of prosperity to the land, but it has on the other hand had the effect of severely curtailing the importation of a number of

commodities which India exports to Germany, e.g., oilseeds, oilcakes and feeding stuffs. Whether these restrictive measures are of a temporary nature and only meant to surmount current difficulties remains to be seen. Past experience has, unfortunately, shown that restrictions once put on the Statute Book are seldom dispensed with and have a tendency to become permanent.

Towards the close of the year under review the trend of the German trade balance gave the German Government cause for serious alarm. During January and February, 1934, the customary export surplus disappeared and instead there were large import balances of 35 and 22 million marks respectively in those months. March was almost as bad, as the export surplus was a meagre 3 million marks. Thus, for the first quarter of 1934, Germany witnessed the disappearance of her export surplus and the emergence in its place of an import surplus of 54 million marks. The reason for this change in the trade balance lies in the unusually heavy importation of raw materials and semi-manufactured goods which has been taking place for some months past in response to the domestic industrial boom. The authorities took fright at this turn of affairs, and in the beginning of March reduced the exchange import percentage from 50% to 45% of the 1931 basis. At the end of March this percentage was further reduced to 35%, and after the close of the review year there has been a drastic reduction to 25%. Not content with effecting a reduction in the exchange import percentage, the Government introduced emergency measures at the end of March which entirely prohibited the importation into Germany for a temporary period of a large number of raw materials and semi-manufactured goods. In this list of prohibited commodities were included jute, cotton, hemp, coir and other textile raw materials, wool, animal hair, hides and skins, animal products (e.g., guts, casings, etc.), certain non-precious metals (e.g., copper) and certain ores. As most of these measures, though promulgated in March, came into effect after the close of the year under review, they will not be dealt with in detail in the present report. The intention underlying these prohibitive decrees is, of course, the eventual bringing within the monopoly control system of future imports of these industrial raw materials. The problem which the authorities will now have to solve is how the present industrial boom is going to be maintained when the industries have imposed on them a severe rationing of their necessary raw materials. A curtailment of raw materials will eventually result in the slowing down of industrial activity and a decrease in employment, both of which the Government will certainly be anxious to avoid. Surprisingly enough, sufficient attention does not appear to have been paid to this aspect of the question in the discussions on this matter, but a decision on the issue

cannot long be postponed and will have to be made sooner or later. So far as it is possible to forecast the future attitude of the Government from its past actions, an attempt will be made to maintain the level of raw material imports and to finance their payment by a vigorous increase of German exports.

During the year under review trade restrictions have been maintained in full force in the majority of European countries and in some countries further additions have been made to them. Increases of customs duties have been made in the case of several commodities in many countries and in general trade barriers continue to dam the free flow of international trade from country to country. Before the internal revival taking place at the present moment in many countries can receive added momentum and be transformed into a general restoration of world wide prosperity these trade barriers will have to be pulled down in order to allow international commerce to fertilise once more large tracts made barren by continued depression. The most notable among the additional restrictions brought into being during the period under review are the French import quota system as applied to agricultural products and raw materials and the adoption in Holland of restrictions on the imports of cereals and feeding stuffs. During the latter half of 1933 the French import quota system was extended to a large number of commodities exported from India to France e.g. coffee, lard, peas, lentils, beans, tissues of jute, curried hides and skins, oil cakes, oilseeds and certain manufactured goods such as cotton manufactures and sports goods. In regard to many commodities for which quotas have been established licences are required for their importation. In addition a special import licence tax has since January 1934 been imposed in the case of certain agricultural commodities. Holland has with certain modifications, adopted the German monopoly control system in regard to imports of certain commodities which India exports to Holland. These include barley, maize, dairy and oilcakes. In most of the Continental countries import restrictions take the shape of exchange control, import licences and import quotas. They are worked mostly in combination i.e. exchange control plus import licence, or import licence plus quota and in this way provide formidable obstacles to the importation of goods. The consolation remains that these restrictions are special devices created to meet special conditions and that with the removal of these conditions, when normal times return the restrictions will also disappear.

Chapter III.—Commodities.

An examination of the main items of India's trade with Northern European countries, commodity by commodity, will be made in this chapter. The principal features of this trade during the year under review, 1933-1934, are set out in the following paragraphs, and a reference is made under each commodity to some of the enquiries received during the course of the year from Indian exporters and Continental importers. Appendices A I and A II give the statistics of the imports into Germany of the principal Indian commodities together with the names of India's chief competitors in this market and their shares in the trade *vis-à-vis* India. The statistics are in doppelzentners; one doppelzentner equals 100 kilograms, and 10 doppelzentners are equivalent to 1 metric ton.

JUTE.

The imports of raw jute during 1933-34 have shown a great improvement as compared with the past three years, and it is satisfactory to note that this improvement has been equally spread out over all the countries in Northern Europe. Indeed, one has to go back to 1929 for imports comparable with those that have taken place during the year just over. Jute may be considered to be a fairly accurate barometer of the state of world trade and industry, and if the demand for jute during 1933-34 is any indication of the comparative activity in general business conditions, a revival of world prosperity is not very far off. The domestic industrial boom in several countries, to which reference has been made in the previous chapter, has been responsible for the increased consumption of raw jute in all the Continental countries. The Scandinavian countries increased their imports by as much as 65% by comparison with the previous year, while Holland, Belgium and France recorded improvements of 30, 27 and 28 per cent. respectively as compared with 1932. In regard to Germany, her takings of raw jute in 1933 advanced from 75,467 tons in 1932 to 111,029 tons in 1933, an increase of 46%. In 1931 and 1930 German consumption of raw jute was 83,350 tons and 89,609 tons respectively. For the quarter January-March, 1934, German imports of raw jute advanced to 34,902 tons as compared with 27,596 tons and 20,211 tons during the corresponding quarters of 1933 and 1932. Jute is among those raw materials whose importation into Germany has been temporarily prohibited from the end of March, 1934. In the light of these figures the consumption for 1933 may be regarded as highly satisfactory. The preliminary acreage forecast in July, 1933, was given as 2,479,800 acres, compared with the previous year's revised figure of 2,143,000 acres. These figures exceeded trade expectations and had a bearish effect on the market for a

considerable time afterwards. The final forecast in September, given by the Bengal Agricultural Department was announced as 7,933 200 bales as against the revised figure of 7 097 100 bales in 1932. Although the final forecast did not reveal an estimate of an excessive yield the actual figure came as a surprise to the market. The carry over from the previous crop was also fairly heavy as evidenced by the amount of old crop offerings at the time. Just before the close of the year under review a combination of associations in Bengal representing the mill industry, the balers, the exporters and the domestic dealers submitted a memorial to the Governor of Bengal against the activities of the jute Phatka market on account of the alleged damage done to legitimate trade by the excessive speculation carried on in that market. The memorialists stated in the course of this petition that while recognising the need for a future market, they maintain that the phatka market is a bad one since the actual buying and selling of jute represents only one per cent of the transactions the chief activity being the weekly settlement of differences. One of the effects of this was to exclude the bona-fide buyer who could buy cheaper in the late jute market, a higher price than the market price being the essential basis of the phatka activities. The petition ended by asking that the market should be constituted into a proper futures market by suitable legislation which should prohibit the periodic settlements on differences and should insist on the settlement only on the completion of a contract.

During the period under review there was a very considerable decrease in the imports of Indian jute bags into Germany. In 1933 the amount of jute bags fell to 1 008 dz as compared with 6 251 dz in 1932 and 10 949 dz in 1931. For the period January-March, 1934 Indian jute bags decreased from 2 449 dz in the same period of 1933 to only 409 dz. As regards jute sacking cloth the statistics have the same tale to unfold. Imports into Germany during 1933 were only 1 332 dz as compared with 3 791 dz in 1932 and 7 247 in 1931. For the quarter January-March, 1934, there were no imports at all of sacking cloth from India as compared with 504 dz and 1 426 dz during the corresponding periods of 1933 and 1932. On the other hand the total German imports of bags and cloth increased very considerably in 1933 as compared with the previous year, though in the first quarter of 1934 total imports of bags fell away to only 2 532 dz from 14 182 dz in the corresponding quarter of 1933. But total imports of sacking cloth in the quarter January-March 1934 increased to 5,907 dz from 1 491 dz in 1933. The competitors who have succeeded in capturing a large portion of the trade in bags and cloth in the German market are Holland, Belgium and Czechoslovakia, who have all within recent years improved their sales of bags and cloth to Germany very considerably. It

is quite clear from these figures that Germany is rapidly ceasing to become a purchaser of Indian jute bags and sacking cloth. The reasons for this alarming decline in German imports of jute bags and cloth from India are not far to seek. Mention has already been made of the fact that German imports of raw jute during 1933 and the first quarter of 1934 were comparatively heavy as compared with the three previous years. The local mill production appears to be gradually encroaching on the import trade and it is not unlikely that this development has the official support of the control authorities in view of the policy now being actively pursued in Germany of creating a boom in industrial activity. Mention must also be made of the following causes that have contributed their share towards the falling off in German imports of jute bags and cloth from India and the steady growth in the imports of Dutch and other bags: (i) Practically all the bags and cloth are imported into Germany under the "Veredlungsverkehr" clause, which admits them duty free into Germany. As a great deal of agricultural produce is exported from Germany to Holland, Belgium and Czechoslovakia it is not difficult to establish the fact that certain German exports are packed in cloth and bags originally imported from those countries. Hence the larger imports of packing material from Holland, Belgium and Czechoslovakia. (ii) Many foreign buyers of German fertilisers, sugar, flour, etc., buy cloth and bags manufactured in their own national factories and send them to Germany for the purpose of having their purchases packed in these bags and cloth. These packing materials come into Germany free of duty, the fertilisers, flour, etc., are packed in them, and the bags and cloth returned filled to the countries from which they were originally exported. Formerly a certain amount of German beet sugar used to be exported to India, and this was packed in Indian-made bags and sent out. Exports of German beet sugar have come to a complete standstill. (iii) It appears to be the case that it is much easier to obtain foreign exchange for payment to Holland, Belgium and Czechoslovakia because of the fact that there are large exports of German agricultural products and manufactured goods to these countries. The phenomenal increase in the import of jute bags and cloth of Dutch manufacture has probably been brought about by the clearing system set up between Holland and Germany.

With the exception of Belgium, the imports of Indian jute bags into European countries remained more or less stationary during the year under review as compared with the preceding year, some countries, like Norway, taking a little more, while others, like France and Holland, took a little less. In the case of Belgium, however, imports during 1933-34 increased by as much as 35% as compared with 1932-33. Apart from Germany, no other northern European country imports jute cloth from India.

Tissues of jute form one of the commodities to which the French import quota system has been applied. India was classified among "other countries" which were allotted a joint quota of 4 quintals (1 quintal - 100 kilograms) for the first quarter of 1934. The United Kingdom was allotted 372 quintals, Germany 149 quintals, Belgium 149 quintals, Switzerland 115 quintals and Italy 132 quintals. The French import statistics do not show that there is much importation of jute tissues from India. There was a considerable increase in the imports into Germany of jute cloth other than sacking during the year under review. The importation for 1933 was 8,816 dz. as compared with 6,327 dz. in 1932 and 3,637 dz. in 1931. During the first quarter of 1934, however, there were no imports of this variety of cloth as compared with 1,211 dz. for the corresponding period of 1933.

The following enquiries are selected for mention from among those received during the course of the year in this office. A firm of jute exporters in Calcutta was put in touch with importers in Hamburg and Antwerp. The same firm was subsequently supplied with names of suppliers of second hand Hessian looms. The Indian Jute Mills Association, Calcutta wanted information about the organisation, equipment and costs of textile research institutions in Continental countries to serve as a guide in establishing a research institute in India for the Indian jute industry. Enquiries were made in Belgium, Germany, France, and other countries and detailed information regarding research institutes in those countries was forwarded to Calcutta. A factory in Belgium manufacturing jute tissues was put in touch with jute exporters in Calcutta. A Norwegian firm of importers was put in touch with exporters of jute bags and hessian cloth in Calcutta. This firm subsequently sought our aid in obtaining introductions for other Indian commodities. A Calcutta firm of raw jute exporters was put in touch with importers in Germany, Belgium, Denmark, Holland and Norway. An importing firm in Prague was introduced to exporters of raw jute in Calcutta. A firm in Normay who wanted to take up the agency of a raw jute exporter in Calcutta was given the necessary introduction. A Hamburg firm who wanted to import jute sacks and sacking cloth was put in touch with firms in Calcutta interested in the enquiry. A firm in Brussels with branches in San Paulo and Rio de Janeiro wanted to represent through their South American branches Calcutta jute exporters to South America. The enquiry was sent out to India and the names of interested Calcutta firms have been forwarded to the Brussels firm. Another Belgian firm in Antwerp wanted to be introduced to jute exporters in Calcutta desiring to be represented in Spain, as the Belgian firm had branches in Spain. The necessary introductions were effected. A firm in Denmark was put in touch with exporters of jute twine, twist and yarn.

COTTON.

The imports of Indian cotton during 1933 into all the northern European countries represent a great improvement over the figures for 1932. The reasons for the increase in European takings during the year under review are: (i) The 1933 Indian cotton crop turned out to be a normal one as compared with the 1932 crop, which had been an abnormally small one. The exportable surplus in 1933 was, therefore, a larger one than in the previous year, after the local mills had satisfied their requirements. (ii) Bombay cotton prices were on a lower level in 1933 as compared with the previous year, due both to other causes and to the increase in the 1933 crop to normal dimensions. They, therefore, approximated in 1933 very much more to world parity cotton prices, and this factor has always been the deciding factor in the purchase of Indian cotton by European countries. In 1933 Holland almost doubled her imports as compared with the two previous years. Belgian imports were slightly better in 1933 than in 1932 or 1931; and France increased her takings by 25% as compared with 1932; her imports in 1933 were double her imports of 1931. As regards the German market, Germany imported 192,348 bales in 1933 as compared with 113,179 bales and 200,914 bales in 1932 and 1931 respectively. Her imports in 1930 were 311,447 bales. Thus, while the 1933 figure is an improvement over the 1932 one, Germany is yet far from showing a return to her normal consumption of Indian cotton. As regards 1933, her total consumption of cotton was roughly 200,000 bales more than in 1932, of which increase India contributed 100,000 bales and America 100,000 bales. Egypt and Peru also improved their cotton sales to Germany. For the first quarter of 1934 (January-March) Indian cotton imports into Germany rose to 47,400 bales from 38,114 bales and 35,362 bales in the corresponding quarters of 1933 and 1932. This is satisfactory, as American imports decreased from 387,387 bales in 1933 to 357,638 in 1934. Egyptian cotton, like Indian, also improved its position for this period. Cotton is another raw material whose imports into Germany have been temporarily prohibited from the end of March, 1934. Cotton manufactures are one of the items to which the French import quota system has been applied. Just before the close of the review year a case occurred where a French importing firm had difficulty in bringing into France Madras fancy cotton handkerchiefs, as no quota was allotted to India. Eventually the parcel was admitted on the strength of the United Kingdom quota as a result of representations to the authorities. A cotton ginning and pressing factory wrote and asked the office to place them in touch with a good importing house in Hamburg. The necessary connection was made and the Calcutta factory is now doing business with the Hamburg firm. A Hamburg firm was put in touch with exporters

of cotton and cotton waste. Another Hamburg firm was introduced to exporting houses in India for raw cotton. A firm in Mannheim was put in touch with exporters of cotton and cotton waste. A Bombay cotton broker wanted to appoint agents in various countries. He was introduced to agents interested in his enquiry in Hanburg, Antwerp, Ghent, Prague, Vienna, Paris, Amsterdam, Warsaw and Gttenburg (Sweden). A Warsaw firm wanted introductions to exporting houses in India. The necessary introductions were given. A Norwegian firm was put in touch with exporters of cotton and cotton waste in Bombay. A Swiss firm in Zurich was introduced to cotton exporters in Bombay and the Punjab.

Hemp

Imports of Indian hemp into Continental countries during 1933 displayed very considerable increases as compared with the previous year and provide evidence that Indian hemp is gradually but surely regaining its previous popularity in European markets and that the let and for it is the part of the Continental spinners is returning rapidly to former dimensions. The revival of industrial activity is also largely responsible for the increase in imports during the period under review. Belgium the largest single purchaser of Indian hemp on the Continent nearly trebled her imports in 1933 as compared with the previous year but her takings are still on a lower level in comparison with previous imports nevertheless it is highly satisfactory that she has once more resumed her role of being India's principal consumer. France also more than doubled her imports of Indian hemp as compared with 1932. German imports of Indian hemp in 1933 increased to 26,043 dz from 17,774 dz in 1932 and 47,70 dz in 1931 an improvement of nearly 60% as compared with the previous year. For the quarter January-March 1933 German imports declined slightly to 7,741 dz from 9,341 dz in the corresponding quarter of 1932 the loss of the 1,600 dz being compensated by the importation of this exact amount from the Dutch East Indies. Hemp is also one of those raw materials whose importation into Germany has been temporarily prohibited since the end of March 1933. A factory in Bielefeld (Germany) wrote and asked to be put in touch with exporters of certain special varieties of hemp which they were anxious to purchase. Inquiries were made and the names of interested exporters were forwarded to the German factory. A firm in Hanburg desired to be introduced to hemp exporters in India with a view to taking up their agencies. The necessary introductions were effected. A factory in Holland wrote and asked to be put in touch with Indian exporters of special hemp for the manufacture of cordage. Inquiries were made and the names of interested parties were forwarded to the Dutch factory. A German firm wanted to be put in touch

with the balers of a particular mark of Indian hemp with a view to doing business. The necessary enquiries were made and the name of the baler ascertained and given to the enquiring firm. A Bombay hemp dealer was put in touch with importers in Antwerp, Rotterdam and Sweden. A Danish firm was introduced to Indian exporters with a view to taking up their agency for Denmark.

Coir.

Imports of coir fibre into Germany for 1933 were only 5,675 dz as compared with 10,353 dz in 1932 and 9,242 dz. in 1931. Of this amount India's share was 2,793 dz in 1933 as compared with 5,078 dz in 1932, imports being nearly halved; India's sole competitor, Ceylon, suffered the same fate. For the quarter January-March, 1934, total imports of coir fibre into Germany increased to 2,759 dz. as compared with 1,164 dz in the corresponding quarter of 1933. Though countries of origin were not specified, it may be taken for granted that India and Ceylon roughly shared the total trade for this period. Imports of coir yarn from India, on the other hand, into all the European countries improved in 1933 as compared with the previous year. Holland, Belgium and France all took slightly increased quantities of coir yarn during the period under review. German imports of coir yarn in 1933 were 88,304 dz as compared with 67,933 dz in 1932 and 58,847 dz in 1931, an increase of 30% over the previous year. The demand for coir yarn is mainly for the manufacture of cheap carpets and rugs and mats and mattings; it is also used to a very large extent in the furnishing and upholstery trade in connection with mattresses and stuffing material for furniture, e.g., chairs, settees, etc. A factory in Brno (Czechoslovakia) manufacturing mats and brushes wrote and asked to be put in touch with large exporters of fibres and yarn. The necessary enquiries were made and introductions effected. A district officer in South India wrote and asked for names of Continental importers of coir yarn for the purpose of sending them samples. Names of suitable firms were sent out to the official through the Director-General. A Swiss factory wrote and asked to be put in touch with suppliers of coir fibre and yarn. The necessary enquiries were put through and the names of interested exporters were forwarded to the Swiss factory. A Belgian firm was put in touch with coir yarn exporters in Bombay and South India. A dealer in Bremen wrote and wanted to be put in touch with exporters of special classes of coir yarn to be used for special purposes. Enquiries were made in India and the names of suitable exporters were obtained and forwarded to the German firm. The same firm subsequently obtained our help in getting introduced to exporters of coir mats and mattings. A firm of dealers in Amsterdam were put in touch with exporters in South

India. A firm in Malabar wrote and asked to be put in touch with dealers in Antwerp. The necessary enquiries were made and the names of interested dealers were forwarded to India.

Rice

A survey of the statistics for rice during 1933 shows that Indian (including Burma) rice was one of those commodities whose imports into the various European countries reveal a deterioration instead of improvement in comparison with the two years immediately preceding. There is a distinct and readily observable change of direction in India's rice exports away from Europe and towards Asia and Africa. Whether this change in direction is good for India and Burma is debatable as European countries have been good customers in the past and have always paid higher prices than other countries as a result of which world prices for Indian and Burma rice have been in former years maintained at a higher level than would have been possible had India's only customers been Asian and African countries. It is on this account, more than any other that one regrets to observe the decreasing quantities of Indian rice being taken by European countries year by year and it is not unlikely that if this trend in the Indian rice trade continues Indian rice prices will have to settle down to much lower levels in future years. Poland, an important customer in Indian rice, halved her purchases in 1933 as compared with the previous year and only took a third of what she did in 1931. In connection with the Indian rice trade to Poland it will not be out of place to mention here that a tendency is growing up in Poland during recent months in governmental circles to bring pressure to bear on the Polish rice milling industry to effect their rice purchases from those countries which are willing to take Polish manufactured goods in exchange. The development of Polish commercial policy along these lines would constitute a serious threat to India's rice trade to Poland, which has been in the past and still is a very valuable one. It is a development which will need careful watching, especially as European countries including the United Kingdom, are turning their attention to this modernised latter system in their efforts to expand their exports of manufactured goods. The fashionable terminology for the old latter system is "compensatory trade" or the compensatory principle in trade. It forms the basic principle of the recent trade treaties and agreements concluded by the United Kingdom with a number of European countries. This demand on the part of European manufacturing countries for compensatory trade with countries which are principally producers of raw materials does not fit in with India's present commercial interests and the dangers arising from this demand will have to be countered in some form or another. Holland in 1933 took slightly over a third of

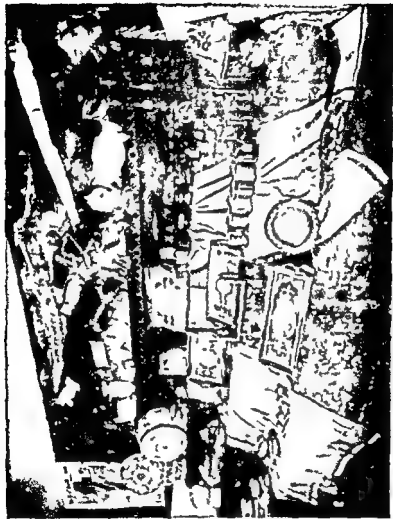
what she bought in the previous year, which again was nearly a half of her 1931 takings. Belgium was the only country in Northern Europe which increased her purchases of Indian rice in 1933 as compared with 1932, but her 1933 imports were 20% less than her 1931 imports. In so far as Germany, India's best customer hitherto, is concerned, the tale is not a happy one for 1933, except, curiously enough, in the matter of polished rice imports. German purchases of Indian polished rice in 1933 were 45,949 tons as compared with 42,155 tons in 1932 and 40,683 tons in 1931. By the end of June, 1933, the polished Indian rice imports had reached 31,909 tons; by the end of September they were 40,645 tons, and at the end of November they stood at 44,252 tons. Thus, between September and December, 1933, 5,304 tons of Indian polished rice were imported into Germany as compared with 18,257 tons in the same period of 1932, and 12,010 tons in 1931. The comparative figures for the last quarter of 1933 are given in some detail, because, commencing with August, 1933, the German rice monopoly control authorities have been severely rationing the imports of polished or white rice into Germany. The policy in regard to white rice which is now being pursued in Germany by the control office is most probably based on two general considerations, viz.: (i) White rice being already polished and ready for table consumption does not provide work for the German rice mills. It yields no profit to the Hamburg miller and gives no employment to the German workman. Imports are, therefore, rigorously discouraged, a simple task for the monopoly control office to which all imports must be sold, and which can refuse to buy any particular consignment of rice without adducing reasons. (ii) The general consumption of rice in Germany is not officially encouraged at the present time, as it comes into competition with domestic food-stuffs such as wheat, rye and potatoes. There is a very large surplus of these commodities at present available in Germany due to the fact that Germany cannot export her usual quantities to other countries by reason of tariff and other restrictions raised against her agricultural exports. Habits and customs die hard, however, and German people have had a liking for rice for years, and hence imports cannot be too severely restricted all at once. For the quarter January-March, 1934, total imports into Germany decreased from 27,944 tons in 1933 to 12,637 tons only. Of this amount, India's share was 3,656 tons as compared with 8,472 tons in the corresponding period of 1933. It will be noted from the statistics that both Italy and Siam improved their polished rice imports in 1933 as compared with previous years. Italian imports in 1933 were 11,291 tons as compared with 7,808 tons in 1932, while Siam rice reached a figure of 16,256 tons as compared with 10,979 tons in 1932. Both these countries, however, suffered set-backs during the first quarter of 1934.

Coming now to unpolished rice, which forms by far the greater amount of the total rice imports of Germany, German total imports in 1933 decreased by 70,381 tons from those of the previous year. Imports of unpolished rice from India in 1933 were 176,263 tons as compared with 219,877 tons in 1932, a decline of 43,614 tons. Imports from the Dutch East Indies declined sharply from 21,091 tons in 1932 to 949 tons only in 1933, but Siam improved her position from 6,627 tons to 8,210 tons in 1933. The most notable improvement, however, is to the credit of Italy, whose imports of unpolished rice in 1933 reached 4,677 tons as compared with 1,915 tons in 1932 and 777 tons in 1931. This increase in Italian rice imports may be attributed directly to the Agreement concluded between the German rice millers and the Italian rice sales authorities in June 1933, to which a reference will be made later. For the quarter January-March, 1934, imports of Indian unpolished rice were 25,903 tons as compared with 29,871 tons in 1933 and 31,571 tons in 1932. Italian unpolished rice jumped from a couple of tons in 1933 to 6,087 tons in 1934, while Siam also improved her position from 409 tons to 3,263 tons in 1934. Part of the decrease in the imports of unpolished rice from India may be set down to the heavy "monopoly" surcharge placed on imports of fodder rice, i.e., Rs. 8½/- per ton. This tax has probably had the effect of killing the fodder rice trade to Germany. Italian unpolished rice imports are almost wholly intended for human consumption. The most important cause, however, of the decrease in the imports of Indian unpolished rice during the year under review and the increase in the imports of Italian unpolished rice is the agreement which was concluded between the German rice millers and the *Inte Nazionale Risi*, the Association of Italian rice producers, by which the former agreed to purchase annually 10,000 tons of Italian unpolished rice and mill this quantity in the German rice mills for German domestic consumption. This agreement will, if carried out in full, very seriously affect imports of Indian unpolished rice into Germany, as the amount of Italian unpolished rice purchased by the German mills is greatly in excess of past normal amounts from Italy, and will tend to displace annually a large amount of Indian rice which the German mills usually purchase for milling purposes. As has been previously mentioned imports of polished rice have also been severely curtailed, and hence some of the injurious effects of the abnormal imports of Italian unpolished rice cannot be passed on to polished rice imports. Unpolished rice imports from India, which is the largest supplier, will thus be likely to suffer the most damage from this German-Italian rice agreement, and in fact the statistics of 1933 already show the partial effects of this agreement in the shape of a reduction of 43,614 tons in the imports of unpolished rice from India. The conclusion of the

German-Italian rice agreement accords with the policy of the German authorities to discourage the imports of white polished rice; and as previous imports of Italian rice were mainly in the shape of polished rice, the Italian trade has been diverted by the agreement from the polished to the unpolished variety.

The prohibitive monopoly surcharges imposed at the beginning of 1933 by the German Government on the importation of rice bran has had the expected result of more or less putting a stop to this valuable trade with Germany. Total imports of rice bran into Germany during 1933 were only 34,073 tons as compared with 138,721 tons in 1932. India's share declined from 57,553 tons in 1932 to 10,824 tons in the year under review. The shares of all the other countries who trade in rice bran also tumbled down in 1933. During the quarter January-March, 1934, matters got far worse, and for this period the total imports of rice bran stood at the ridiculous figure of 39 tons as compared with 29,428 tons in the corresponding period of 1933. Of these 39 tons, India was responsible for 24 tons as compared with 9,405 tons in 1933 and 10,603 tons in 1932. The policy of successive German Governments has for the past two years been to curtail severely the imports of cattle fodder in order to protect home-grown feeding stuffs. It is a policy that has in all likelihood come to stay both in Germany and other European countries where the farmer has become the anxious concern of his Government and has been saved from bankruptcy by governmental action aimed at protecting him from the severities of the economic depression of the last four or five years.

A firm in Vienna was put in touch with London houses importing Indian rice. The Burma Rice Merchants' Association, Rangoon, wrote and asked to be put in touch with manufacturers of rice milling machinery. Extensive enquiries in several countries were made and the names of suitable manufacturers in Germany, Holland and Belgium have been transmitted to the Association in Rangoon. A firm of rice brokers in Rotterdam wrote and asked to be put in touch with exporters of Burma rice interested in shipping to Portugal via Rotterdam, or direct. Enquiries were put through in India and the names of exporters interested in this enquiry were forwarded to the Rotterdam firm. A firm in Copenhagen wrote and asked if we could put them in touch with exporters of rice and spices with a view to obtaining the agency for Denmark. The necessary enquiries were made and the introductions effected. Two rice broking firms in Sweden were put in touch with exporters in Calcutta and Rangoon. An exporter in Rangoon was put in touch with importing firms in Norway and Sweden. A firm in Hamburg was introduced to exporters in Rangoon. A firm of importers in Prague was put in touch with exporters of the better qualities of Indian rice in



EXHIBITION OF INDIAN ARTWARE AND FANCY SKINS AT THE LEIPZIG FAIR, 1914.

Calcutta. A firm in Copenhagen was introduced to exporters of rice and tea in Calcutta and Rangoon. A firm in Mukacevo (Czechoslovakia) was put in touch with exporters of rice in Rangoon and Calcutta. An exporting firm in Calcutta was introduced to rice importers in Germany, Belgium, France, Denmark and Holland. An importer in Warsaw was put in touch with Burma rice exporters in Rangoon.

TEA AND COFFEE

The tea restriction scheme which embraces all tea producing countries and which is now in full operation may be regarded as responsible for either stabilising the position reached in 1932, so far as imports are concerned, or even causing a decline in those imports during the year under review. France and Germany are the two main countries in Northern Europe excluding Russia which import tea in any quantities. The former reduced her purchases of Indian tea in 1933 by nearly 50%, as compared with the previous year. As France is a very important country in regard to tea purchases from India, it is worth while observing the trend of the imports into France during recent years. The following table gives the figures of French tea imports since the year 1929 —

In metric quintals (1 quintal = 100 kilograms)					
	1929	1930	1931	1932	1933
British India	4,370	3,502	5,615	4,029	2,245
United Kingdom	4,968	5,219	4,215	2,141	2,025
China	2,651	2,416	2,927	2,802	3,377
Indo-China	3,056	2,640	2,329	2,321	—
Other Countries (Inc. Dutch Indies)	899	764	1,047	2,793	8,630
Total	15,853	15,540	16,132	14,905	19,277

From the above figures it will be seen that during the year under review France imported more tea than at any time since 1929. The trade depression does not appear to have had much effect on her consumption of tea, which is natural, considering that tea-drinking is not a popular nation wide habit in France. On the other hand, Indian tea fared very badly in 1933. India's average sales to France since 1929 are roughly in the neighbourhood of 4,000 quintals, but in 1933 only 2,245 quintals of Indian tea were imported. The same is the case with tea imported via the United Kingdom, which has fallen by 50% during 1932 and 1933 as compared with previous years. China tea has not only maintained its previous position, but even improved on it during 1933. But the most noticeable feature of the statistical table above is the phenomenal increase in the imports into France of Java tea. These were only 579 and 702 quintals in 1929 and 1930. In 1932 they had grown to 2,205 quintals, and during the year under review they leapt up to 8,630 quintals, over half

the total imports into France. The price factor and the diversion of Java tea from the United Kingdom market, due to the Empire preferential duty on tea, have no doubt played an all-important part in the rapid increase of Java tea imports into France. It is essential in the interests of Indian tea that the tea situation in France should be carefully watched with a view to counteracting the alarming development that is taking place in the French tea trade, as a result of which Java tea is gradually ousting Indian tea from the French market; for it will be remarked that Java tea has not had any adverse effect on tea imports from China. Propaganda on behalf of Indian tea as Indian tea appears to be necessary in France and is a matter which will have to be looked into on behalf of the Indian tea industry.

Imports of Indian tea into Germany during 1933 were 11,111 dz. as compared with 12,604 dz. in 1932 and 15,532 dz. in 1931. Java tea slightly increased her share of the tea trade from 21,586 dz. in 1932 to 22,450 dz. in 1933. Ceylon and China teas remained more or less stationary during the year under review. For the period January-March, 1934, Indian tea declined slightly from 2,676 dz. in 1933 to 2,504 dz., whereas Java slightly improved her sales, which, in the first quarter of 1934, were 5,297 dz. as compared with 4,953 dz. for the corresponding period of 1933. It appears probable that the restriction scheme will keep European imports at more or less their present level for the next few years with slight annual variations and will tend to prevent abnormal increases or decreases. The tea-drinking habit in Germany makes but little headway; and, so long as the customs duty on tea remains as high as it is now, not much growth in the popularity of tea as a beverage may be expected. A duty of Rm. 3.50 per kilogram makes the purchase of tea a luxury in Germany, and, as such, tea-drinking cannot possibly catch on in this country among the working and lower middle classes as is the case in England. In the present conditions, any tea to be successfully sold in large quantities must be cheap, so that the addition of the customs duty does not make the price a prohibitive one for the average housewife. The higher and more expensive grades will, no doubt, always find a sale among connoisseurs of tea, but this circle is an extremely limited one in Germany, which is essentially a coffee-drinking country. The cheaper varieties of our Indian teas ought to be able to find wider markets than in the past, provided they are backed up by satisfactory organisation and efficient publicity propaganda. Without this aid Indian tea is not likely to register much progress in Germany. Adequate advertisement is absolutely essential if Indian tea sales to Germany are to be increased. Propaganda on behalf of tea in general was made during the summer of 1933 by the Verband des Deutschen Teehandels, Hamburg, in the shape of a very attractively got up pamphlet showing how tea

should be made and praising its virtues as a beverage for both summer and winter and finally pointing out how cheap tea as a drink really was in the long run. This delightfully illustrated pamphlet was widely distributed to the retail trade throughout Germany and through the retailers to the restaurants, cafes and refreshment places. But this propaganda is not enough to improve the sales of Indian tea. It will be necessary to push Indian tea as Indian tea and not only as tea. Suitable opportunities for this kind of propaganda can be created through participation at household, grocery and cookery exhibitions in the big cities of Germany, e.g. Berlin, Munich, Hamburg, Cologne, etc. and it is anticipated that the Trade Commissioner will in the near future be in a position to take part in such exhibitions and put in a good deal of useful propaganda on behalf of Indian tea and other Indian products.

The statistical table below shows the trend of tea imports in Germany during the last few years —

In Doppelcentners (1 Dz. 100 kilograms)

	Total Imports	Java Sumatra	India	Ceylon	China
1913	40,903	7,394	3,910	4,704	25,895
1914	53,771	31,100	8,803	4,344	7,524
1916	45,941	16,100	10,460	8,111	10,270
1919	57,710	21,077	15,110	11,274	8,953
1930	60,417	23,421	17,917	11,674	8,405
1931	57,043	20,061	15,332	10,470	5,180
1932	47,976	21,000	17,614	9,774	3,588
1933	46,907	25,400	11,111	9,306	2,580

The figures given above show that since 1930 the year when tea imports were highest there has been a steady falling off in the total imports of tea into this country. Curiously enough, Java tea has improved its position steadily since 1931. On the other hand imports from other countries show annual decreases since 1930. In the case of Indian tea a sharp decline occurred in 1932 when imports dropped by almost 3,000 dz. as compared with 1931. It will be seen that in 1933 Java sold twice as much tea as India and more than India and Ceylon put together. One reason for the increase of Java tea in the German market during the last two years is that a good deal of Java tea that used to go to the United Kingdom market has been diverted to Continental markets by reason of the preferential duty on Empire teas in the United Kingdom. Being cheaper, it has gained ground in the

German market at the expense of the higher-priced Indian and Ceylon teas.

During the year under review, the imports of tea and coffee into Poland became subject to import licence. This licence has become a highly important document, for not only is it a permit allowing importation into Poland, but it also entitles the holder to a substantial rebate in the customs duty on tea and coffee. The issue of these import licences to importing firms is based on the "compensation trade" principle, i.e., the authorities issuing the licence must be satisfied that Polish exports of an equivalent value have been or will be made by the firm.

A Warsaw importer was put in touch with exporters of tea in Calcutta. A wholesale firm in South Germany wrote and asked to be put in touch with exporters of high grade Darjeeling teas either direct or through their agents in London. Introductions were given both to exporters in Calcutta and to London importing houses. Another wholesale firm in South Germany was put in touch with exporters in Calcutta. An importer in Bratislava (Czechoslovakia) was introduced to exporters in Calcutta and to London houses also. A Danish firm in Copenhagen wrote and asked to be put in touch with exporters of tea with a view to being appointed agents for Denmark. Enquiries were made and the necessary introductions effected. An importer in Vienna was put in touch with a Calcutta firm, who wanted to appoint an agent for Austria.

Importers of Indian coffee into the countries of northern Europe during the year under review, have been fairly satisfactory on the whole. Though Norway decreased her purchases in 1933 by about 10% as compared with the previous year, Holland and Belgium increased their takings, the latter by as much as 100%. German imports of Indian coffee during 1933 were 8,418 dz. as compared with 9,746 dz. in 1932, and for the first quarter of 1934, 1,831 dz. as compared with 1,910 dz. in the corresponding quarter of 1933. In this connection it will be observed that the share of Brazil, Germany's largest single supplier of coffee, decreased by as much as 16% in 1933. Guatemala and Salvador are the other two countries besides Brazil which supply coffee to Germany in large quantities. The coffee imports from these three countries somewhat overshadowed the imports from India, and the latter are employed for blending with the American varieties. Indian coffee is never sold as a pure coffee on the Continent, and this was true also of the United Kingdom until very recently when Empire propaganda brought pressure to bear on wholesalers and retailers to market a pure Indian coffee. France is the largest single purchaser of Indian coffee, and her imports are therefore worthy of special attention. Her imports

for the four years ending 1933 are given in the following table —

In metric quintals (1 quintal=100 kilograms)				
	1930	1931	1932	1933
India	35,188	41,098	30,938	29,965
Brazil	1,161,826	1,224,553	971,625	1,007,619
Haiti	180,835	125,624	176,423	245,413
Dutch India ..	116,433	124,350	200,265	161,340
Venezuela ..	76,327	97,955	118,814	84,300
Total	1,768,672	1,933,981	1,869,283	1,779,222

It will be seen from the above figures that Indian coffee forms a very small portion of the total coffee imported into France, her main supplies come from the American countries, chiefly Brazil. Indian coffee is invariably blended with other grades in France and never retains its identity. Imports of Indian coffee recorded a very slight decrease in 1933 as compared with the previous year, and the same is the case with the total French imports. Brazil and Haiti however improved their shares, the latter very considerably. But the American countries can in no sense be regarded as competitors of India. On the other hand, the quality and grades of American coffee imports into France in a particular year have a decisive influence on the amount of Indian coffee required in that year for blending purposes. The figures given in the French statistics regarding the amount of coffee imported into France for the years 1932 and 1933 reveal a slight decrease in the latter year whereas the Indian export statistics show a slight increase for 1933 as compared with 1932. The discrepancy between the French and Indian statistics in regard to the trend of the coffee trade in France may be explained by the fact that whereas the French figures are figures of actual importation and do not include blended amounts, the Indian statistics record all amounts which are declared as intended for shipment to French ports and include amounts which on arrival in France are put into bond.

Coffee has been brought within the French import quota system since the middle of November 1933. The successive quotas that have been imposed on imports of Indian coffee since that date appear to be fair and satisfactory in comparison with recent importations, and the application of the quota system to Indian coffee is not causing any great hardships. A licence is required under the system for permission to import.

A firm in Czechoslovakia wrote and asked to be put into direct touch with exporters of coffee and tea in India or with their London houses, as they did not want to deal any more through Hamburg. The necessary introductions to Indian exporters and also to London importing houses were given. A

wholesale firm in South Germany was put in touch with coffee exporters in South India. Another South German firm was introduced to exporters in Bombay and Madras. Two Danish firms in Copenhagen were put in touch with Indian exporters in South India. A firm in Berlin was introduced to exporters in Bombay. The Trade Commissioner for Mysore in London wrote and asked for names of firms in Sweden and Antwerp who might be interested in taking up the agency of an important merchanting house in Mysore. Enquiries were made and the names of suitable firms interested in the enquiry were sent to London. A firm in Oslo, Norway, was put in touch with importing houses in London.

DARI.

The importation of this commodity into Germany has virtually come to a standstill on account of its being placed under the monopoly control system and the prohibitive monopoly "surcharge" imposed on imports of the article. During the year under review there was an import of 452 tons from India and a larger amount of 1,821 tons from Africa, and 789 tons and 630 tons from Persia and China. Compared with imports during 1932 and 1931 these lots are nothing at all.

France has also restricted the importation of dari by placing the commodity under the import quota system. Imports into France had grown rapidly from 4,978 tons in 1930 to 9,386 tons in 1932 and 4,929 tons for the first six months of 1933. This large amount resulted in dari being made subject to a quota restriction. Total imports of dari in 1933 were 13,495 tons. For the quarter January-March, 1934, a total quota of 270 tons was allocated to dari.

HIDES AND SKINS.

The hides and skins trade to northern European countries witnessed a satisfactory revival during the year under review. The takings of most of the countries showed a considerable improvement compared not only with those of the previous year, a bad year, but also with the imports of the years since the commencement of the trade depression. This improvement is very largely due to the internal industrial boom which can be observed in progress in many of the European countries during 1933. Revived industrial activity has naturally stimulated the demand for hides and skins, both raw and tanned. The Scandinavian countries increased their purchase of Indian raw hides by about 25% as compared with the previous year, while Holland nearly trebled her imports of raw hides. In regard to skins also, the 1933 position showed a great improvement over past years. Holland nearly doubled her imports of Indian raw goat skins, and France recorded an increase of 16% over the previous year.

India's share in the sheepskin trade is unfortunately not separately specified in the statistics published. French imports of goat skins during the last three years are given below —

In metric quintals (10 quintals = 1 metric ton)

	1931	1932	1933
British India	4,031	3,473	4,127
Morocco	4,160	3,607	2,777
Algeria	6,143	6,743	6,679
Spain	2,671	3,019	3,370
Total	49,310	46,842	56,953

During the year under review the French import quota system was made applicable to curried hides and skins and to tanned hides and skins. India has not been allotted separate quotas in any case save that of tanned goat and kid skins where she was given a separate quota of 200 kilograms for the period January-March 1934. As the French import statistics do not separately specify imports of Indian tanned skins it is difficult to judge whether the quota allotted to India has caused any hardship or not. The figures given in the table above relate to raw goat skin imports. In the case of other tanned skins and of tanned hides Indian imports if any have to participate in the quotas allotted to "other countries".

Coming to Germany which is the largest single consumer of Indian raw hides the hide trade during the year under review showed a distinct improvement. Germany's purchases of raw Indian cowhides of the dry variety for the last three years are as follows —

In Doppelcentners (100 lbs = 1 metric ton)

	1931	1932	1933
British India	39,914	42,476	45,134
Brazil	43,776	31,411	47,779
Argentina	43,547	29,097	41,723
Total	127,237	102,984	134,636

From these figures it will be noticed that Germany's total imports have increased as compared with the two previous years. But they still fall far short of the average imports of the pre-depression days, e.g. in the period 1925-1929 and a good deal of leeway will have to be made up before the figures of those years are reached again. In those days Germany not only satisfied her own leather requirements but was also a large exporter of leather manufactures to many European countries. The latter have now attempted to shut out these exports by means of tariff and other restrictions. Consequently it is open to doubt whether Germany in the future will purchase such large quantities of hides from India as she used to do about eight to ten years ago. It is nevertheless a matter for satisfaction that some revival in her hide purchases appears to be taking place.

the improvement in 1933 being 27% over the imports of 1932. The above figures also disclose another tendency of interest to India. For the first time for many years, India's sales of dry cow hides are greater than those of the Argentine and Brazil, and India in 1933 has, after a long lapse, regained the premier position she used to occupy both before the war and for some years after the war in the dry cow hide trade to Germany. The increase in the imports of Indian hides during 1933 as compared with the previous year is proportionally greater than the increases recorded in the case of Brazil and the Argentine. It is, therefore, regrettable that for the quarter January-March, 1934, Indian hides had to give way again to Brazilian and Argentine hides, though they recorded an increase from 720 tons in 1933 to 977 tons. The explanation may lie in the fact that exports from India of dry salted hides become comparatively heavier later in the year, when the warmer weather permits the drying and salting process to proceed more rapidly.

During the year under review there was a phenomenal rise in the imports of Indian sheep skins into Germany. Imports rose from 30 tons in 1932 to 154 tons in 1933. Russia is the main supplier of raw sheep skins in the German market. But the variety of raw skin which Germany imports in great quantities, is goatskin, and she satisfied her goatskin requirements mainly from India, Spain and Egypt. There was a slight decrease in the total imports of goat skins in 1933 as compared with the previous year, and both India and Spain shared in this decrease. For the period January-March, 1934, however, total imports were considerably above those of the last two years, and India's share during this quarter rose from 135,773 pieces in 1933 to 384,105 pieces. There was a similar increase in imports from Spain as well. German purchases of Indian reptile skins suffered a set-back in the year under review after a phenomenal rise in 1932 over 1931. The number of Indian skins decreased from 640,329 pieces in 1932 to 546,336 pieces in 1933, though this figure is well above the 1931 figure of 183,978 pieces. During the last two years, Germany has begun to buy prepared goat and sheep skins and lamb skins from India in large quantities and her purchases during the year under review recorded a huge increase over those of the previous years, as the following table shows:—

Goatskins (in pieces).

	1931	1932	1933
India	—	512,573	1,827,645
United Kingdom ...	126,238	508,028	1,119,877
Total	1,215,988	2,034,210	3,649,396

Sheep and Lambskins (in pieces).

India	—	155,468	676,717
United Kingdom ...	2,233,198	2,790,970	4,557,382
France	1,378,023	2,368,826	2,776,708
Total	6,011,177	7,528,314	10,501,671

Imports from Great Britain both of goat skins and sheep and lamb skins, also increased very considerably in 1933. It will be observed from the above statistics that Germany's requirements in prepared goat skins increased by 50% during 1933, and in prepared sheep and lamb skins by 13. Taking hides and skins on the whole, it will have been seen from the German import statistics that demand during the year under review has expanded appreciably. This expansion has been caused by the increase in industrial activity in most directions during 1933. A large part of the stimulus imparted to the demand for leather is due to the National Socialist movement in Germany which during the year under review, has taken over the Government of the country and has developed into a nation wide movement. It is estimated that there are enrolled in the party as Storm Troopers and Special Guards (S A and S S men) about two and a half million to three million persons. All of them wear as part of their Party uniform long boots, leather belts, cross straps, chin straps to their caps, and knapricks. The leather requirements of this great political army have been a decisive factor in reviving the activities of German leather factories and this has in turn resulted in an increased demand for hides and skins from abroad. The domestic boom in the country has also resulted in an increase in the purchasing power of many classes of people who have been able to spend more money on the purchase of boots and shoes and other leather articles. It is therefore all the more unfortunate that just at this moment when the demand for hides and skins has appreciably improved in comparison with the immediately preceding years, the German Government has for a temporary period, placed an absolute prohibition on the importation of all hides and skins intended for the manufacture of leather. The prohibition came into force at the end of March 1934 and is due to remain in force till the end of May. A control office has been established for hides and skins and it is anticipated in trade circles that the leather industry will be rationed according to necessary requirements from time to time. This control is bound to exercise a restraining influence on the imports of hides and skins, unless the enlarged requirements of the leather industry are allowed to be satisfied freely and fully. From past experience of governmental control both in Germany and other countries, this is not a likely occurrence.

A firm in Antwerp wrote and asked to be put in touch with exporters of reptile and lizard skins. The necessary introductions were made. The same firm subsequently sought our help in regard to other commodities. Another Antwerp firm who wanted to be appointed as agents for hides exporters was placed in touch with firms in Calcutta and Karachi interested in the enquiry. A firm in Oslo, Norway, was introduced to exporters

of hides, skins and furs in Bombay and Karachi. A firm in Bergen was introduced to exporters in Cawnpore and Karachi. A firm in Amritsar was put in touch with importers in Hamburg and Rotterdam. A firm in Jaipur State was introduced to importers of reptile and fancy skins in Hamburg. A firm in Paris wrote and asked to be put in touch with exporters of hides, skins and tanning materials. This was done. Another Paris firm sought introductions to firms exporting bark-tanned and chrome-tanned leather. Enquiries were made in India and the names of suitable firms were forwarded to the Paris firm. A firm in Lille, France, was put in touch with exporters of tanned hides and tanned sheep and lamb skins. A firm in Sialkot wrote and asked for names of agents for furs and skins. Enquiries were made and names of suitable firms in Hamburg, Brussels, Rotterdam and Stockholm interested in taking up an agency were forwarded to India. A Hamburg firm was introduced to exporters of fancy skins, furs and goat-hair.

OILSEEDS.

The year under review has been a satisfactory one in regard to the importation of Indian oil-seeds by the various European countries. Groundnuts, linseed, rapeseed, castor seed and sesame seed have all shared in the improvement that occurred during 1933. France and Germany are the two principal purchasers of Indian seeds, and Holland and Belgium are also important customers. While Holland and Belgium decreased their takings of Indian groundnuts, both countries imported Indian linseed in unusually heavy quantities in 1933 as compared with the two previous years, though the 1933 figures still fall far short of the usual purchases of these two countries during the pre-depression years, e.g., 1926-1929.

France purchases very large quantities of groundnuts from India, mostly of the decorticated variety. Her imports of undecorticated nuts are mainly from her own territories in West Africa and also from British West Africa, and her imports of Indian undecorticated nuts have been steadily declining every year since 1930. In that year she took 4,471 tons of undecorticated nuts from India, but in 1932 the imports had declined to 1,537 tons and in 1933 they were still further reduced to 728 tons. Imports of undecorticated nuts into France for the past three years were as follows:—

In metric quintals (10 quintals=1 metric ton).

	1931.	1932.	1933.
British India ...	33,617	15,372	7,287
French West Africa	2,067,797	1,699,908	2,907,919
British West Africa	470,000	448,798	362,635
Total ...	3,572,890	2,210,401	3,326,869

In regard to decorticated groundnuts, India is the largest supplier with British West Africa occupying second place. The following table gives French imports during the last three years —

In metric quintals (10 quintals=1 metric ton)			
	1931	1932	1933
British India	2 462 4.8	2 635,323	3 079 97
British West Africa	631 68	1 174,989	1 161,818
Total	3 445 771	4,832,207	4 663 770

From the figures it will be observed that whereas African imports were more or less stationary in 1933 Indian imports increased by 37,458 tons as compared with 1932. Total imports into France of linseed during 1933 were larger than in the previous year, both Indian and Argentine linseed sharing in the increase. The following table shows French linseed imports during the past three years —

In metric quintals (10 quintals=1 metric ton)			
	1931	1932	1933
British India	464 809	372,317	465,323
Argentine	1 933 640	1,834 423	2 049,240

French imports of rapeseed also showed increases during 1933 as compared with the previous two years and it is satisfactory to note that India's increase was greater than that of her competitor, Roumania. The following table gives the French imports of rapeseed during the past three years —

In metric quintals (10 quintals=1 metric ton)			
	1931	1932	1933
British India	69,647	67,338	102,611
Roumania	37 497	27,618	35,215

In August 1933 new customs taxes were imposed in France on oilseeds, most of which had hitherto been free of duty. The following table gives the new French import duties now in force on Indian oilseeds —

	Francs/centimes
Undecorticated groundnuts	
per 100 kilograms	8
Decorticated groundnuts	
per 100 kilograms	11
Kopra	17 50
Cotton seed	5 20
Linseed	5
Rapeseed	9 90
Palm kernels	11 50
Caster seed	11
Sesame seed	13 70
Other sorts	11

The general improvement observed in the German oilseed trade in the year under review is the result of the application of the monopoly control system to the imports of oils, fats (vegetable and animal) and oilcakes. In April 1933 the Government control office for oils and fats issued orders to the effect that import permits for oils and fats would be granted to the trade on a fractional basis of the quantities imported during 1931 and 1932. In most cases this fractional basis was three twentieths fourths of the imports of those years and was made applicable to rapeseed oil, linseed oil, groundnut oil and castor oil. These orders have remained in force throughout the year under review and their effect in causing a decline in imported oils has been reinforced by the payment of a substantial governmental bounty on the production of certain varieties of oils from home-grown seeds. The reduction in the imports of oils caused by these measures has undoubtedly given a stimulus to the importation of oil seeds for the manufacture of oils, fats and margarine. This stimulus was further strengthened by the restrictions imposed on imports of foreign oilcakes, on which comparatively heavy monopoly surcharges were levied with a view to discouraging their importation. Oilseeds have thus benefited by the restrictions on oils, fats and oilcakes imported from abroad.

In April, 1933, oilseeds also were brought within the scope of the monopoly control system with the object of reducing imports if possible. In the event this object has not been attained to cause that were not at the time foreseen. The orders sanctioned the following monopoly surcharges or fees on imports of oilseeds imported for the manufacture of oil: 10m 100 per ton for seeds imported for feeding and other purposes.

10m 120 000 ..

these rates have remained in force throughout the period under review. The fee of 1 mark per ton on oilseeds was a deterrent to imports, as it probably intended as such. The purpose of the fee was to compel merchants to register the amounts of their imports with the control office. The increases in the imports of oilseeds during 1933 have not up to the present resulted in a reduction within the orders prohibiting the imports of raw materials for a temporary period as has been the case with cotton, jute, hides and skins, etc.

exporting firm in Calcutta was introduced to oilseeds in Antwerp, Rotterdam and Hamburg. A Dutch firm was put in touch with exporters of mustard seed in Calcutta and Bombay. An exporter in Bombay in touch with dealers in Hamburg, Antwerp, Rotterdam,

Stockholm and Copenhagen. A firm in Madras wrote and asked to be introduced to groundnut dealers in Hamburg and Rotterdam. The necessary introductions were given. A firm in Amsterdam wrote and asked for names of exporters of copra and groundnuts. Enquiries were made and Indian firms interested in the enquiry were introduced to the Dutch firm. A firm in Poland desired to be introduced to exporters of brown mustard seed: firms interested in this enquiry were put in touch with the Polish enquirer. A Hamburg firm was put in touch with exporters of kangseed, mustard seed, poppy seed and copra. A firm in Antwerp wanted to take up the agency of an exporter of groundnuts. Enquiries were made in India and the names of interested firms were forwarded to the Antwerp enquirer. A firm in Brussels was introduced to exporters of niger and rape seed. A firm in South India was introduced to suitable firms in Hamburg and Antwerp with a view to appointing agents at these two ports. Another South Indian firm was introduced to exporters of cashew kernels in Hamburg and Rotterdam.

OILCAKES.

Imports of Indian oilcakes into the various continental countries experienced a bad year in 1933 and all the principal varieties of cakes recorded decreases, in many cases substantial, as compared with the previous year. This is not surprising in the face of the many restrictions imposed on the importation of oilcakes in several countries. India's cattle fodder trade to the Continent has suffered especial damage on account of the regulations introduced controlling imports of feeding stuffs and having for their object the protection of the local farmer and his feeding stuff crops. Moreover the obstacles placed in the way of the international grain trade have led to the accumulation of surplus stocks of grain in the majority of the countries, and one method of liquidating these surpluses has been to utilise them as cattle fodder. This accounts for the growth of restrictions against imported feeding stuffs. In addition, the increased supplies of oilseeds purchased by continental countries during the year under review gave an impetus to the local oilcrushing industries, and hence the supply of locally crushed cakes was in a position to meet the total demand for cakes to a far greater extent than before. Though Holland increased her purchases of groundnut cake during 1933 by nearly 20% as compared with the previous year, her imports of linseed cake declined by as much as 37% in the year under review. In December, 1933, the importation of all kinds of cattle cakes into Holland was placed under a restriction system very similar to the German monopoly control system. Licences were required for all imports, and importation was permitted up to a limit of 100% of the average quantity imported per six months of the basic period, July, 1931, to June, 1933. The

intention is to confine imports of cakes to the limits of previous years. Though the limit imposed is a comparatively generous one, the system will naturally have the effect of depressing imports of oilcakes into Holland in the future and this effect has already made itself felt in the statistics of the year under review.

Turning to Germany which is one of India's principal purchasers of oilcakes, the position has during the review year naturally deteriorated in view of the severe restrictions imposed on the importation of feeding cakes in which have been in force throughout the period under review. With the exception of cotton seed cake, which recorded an increase of 5½% (the supply of Indian cakes is very small in proportion to the total consumption of cotton cakes) all the other varieties of cakes declined considerably in 1933 as compared with 1932. Groundnut cake from India decreased from 78,466 tons in 1932 to 57,887 tons in 1933, while linseed cake fell steeply from 4,189 tons to 1,681 tons. The only consolation a poor one is that total consumption also declined as well as the shares of India's competitors, though in the case of linseed cake the decline in Russian cakes was as much as 65%, while the decline in Russian cakes was 22%. The German import figures for the period January-March 1934 are indeed alarming, as the following tables reveal—

In Doppelcentners (10 lbs. = 1 metric ton)

Groundnut Cake

	Jan. March 1932	Jan. March 1933	Jan. March 1934
India	172,632	314,197	201
Holland	12,854	9,332	1,910
France	161,401	212,612	1,241
Total	467,427	677,719	6,109

Linseed Cake

	Jan. March 1932	Jan. March 1933	Jan. March 1934
India	19,200	2403	—
Holland	14,026	17,314	6,516
Total	33,226	31,718	11,516

At this rate the imports of oilcakes into Germany will dwindle to mere nothing by comparison with the great trade of past years. This severe decline in the imports of oilcakes into Germany is the main due to the prohibitive surcharges or fees imposed on oil cakes under the monopoly control system. From almost the beginning of the review year, the surcharge on all imported cakes was as high as RM 110—per ton. In the first month of the system, the monopoly surcharge on oilcakes crashed and locally was only RM 1—per ton which acted as a stimulus to the importation of oilcakes to which no such surcharge has been made in a previous paragraph. Subsequently

the surcharges on imported cakes and locally crushed cakes were levelled up and the general charge on all cakes, whether imported or locally crushed, was fixed at Rm. 60— per ton. At a later date the monopoly charges were varied for different varieties of cakes, and the following scale of charges was in force for the rest of the period under review:—

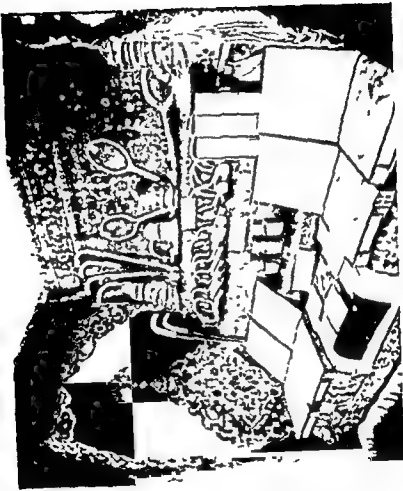
	<i>per metric ton.</i>
Linseed cake	Rm. 53—
Groundnut cake	Rm. 60—
Soya cake	Rm. 63—
Other sorts of cakes from materials falling under item 193 of the German Tariff	Rm. 50—

It will be observed that these regulations are applicable both to imported cakes and locally crushed cakes, and their intention is to discourage as much as possible the use of cakes made of imported materials and to encourage home-grown feeding stuffs such as barley, maize, rye, etc., and cakes made from home-grown materials which are not subject at all to governmental control. This was one of the objects of the German bounty on oil extracted from home-grown seeds, to which reference has already been made.

Imports of oilcakes into France are not nearly so important as her imports of oilseeds. In fact a large part of the domestic demand for cakes is met by the local oil-crushing industry, and there is even a comparatively large surplus of locally crushed cakes available for export to other countries. In the French import statistics, the different varieties of oilcakes are not separately specified. The following table sets forth the imports of all oilcakes into France for the last three years:—

In metric quintals (100 quintals=1 metric ton).				
		1931	1932	1933
India	3,443	4,936	9,849	
Roumania	146,971	103,487	133,919	
Belgium and Luxemburg	415,621	539,338	586,977	
Total	774,788	1,065,282	1,097,977	

From the above figures it will be seen that Indian oilcakes have substantially improved their position in comparison with the two previous years, and that the total French consumption of cakes is steadily improving. It will also be observed that Belgium appears to supply France with practically half her total consumption of imported cakes. These Belgian cakes are in part locally crushed cakes but a fair amount of these cakes imported into France are foreign cakes re-exported from Antwerp's great warehouses. During the year under review the importation of



EXHIBITION OF INDIAN SPORTS GOODS, CARPETS AND INDIAN COTTON,
LEIPZIG FAIR, 1911

oilcakes was brought within the scope of the French import quota system. Importation is now subject to a licence which is issued by regional directors of customs. The oilcake quota does not specify any particular country and was fixed at 300,000 quintals for the quarter January-March, 1934. This is a generous allowance and represents fully 100% of the imports of 1933 a good year. The cause for complaint is rather against the imposition of a special licence tax on top of all the other taxes such as import tax and the surtaxe d'entrepot. This special tax is based on the oil content of the cakes imported. Cakes with less than 12% oil content pay a tax of 5 francs per 100 kilograms; cakes with a content of 12% to 16%, 16 francs; and cakes with more than 16% oil content 30 francs.

A Danish firm wrote and asked to be put in touch with exporters of oilcakes and other feeding stuffs. The necessary introductions were given to firms in Bombay and Calcutta. Another Danish firm wrote and said they wanted to secure the sole agency for Denmark of a large shipper of groundnut cakes. The necessary enquiries are being made in India with a view to ascertaining the names of firms interested in this enquiry. An oil mill in Ahmedabad desired to be put in touch with importers of castor, linseed and groundnut cakes. Introductions were given to merchants in Hamburg, Copenhagen, Rotterdam and Sweden. A firm in Calcutta was put in touch with importers in Hamburg and Antwerp. A firm in Sweden wanted to take up the agency for Sweden of an oil mill producing groundnut and linseed cakes. Enquiries were made in India and the names of Indian shippers interested in the enquiry were forwarded to the Swedish firm. A firm in Rotterdam was put in touch with exporters of groundnut cakes and groundnut oil. A firm in Hamburg was introduced to exporters of castor seed and linseed cake. Another Hamburg firm was put in touch with exporters of linseed and cottonseed cake and copra cake. An Antwerp merchant was introduced to exporters of groundnut and linseed cake with a view to taking up their agency for Belgium. A Hamburg firm was put in touch with exporters of groundnut cake in Bombay and Cochin. The same firm subsequently invoked our aid in regard to cottonseed and castor cake.

LAC AND SHELLAC

During the latter half of the year under review there has been a good deal of activity in the international lac and shellac market. Part of this comparative activity is based on the solid foundation of a revival in industry generally and the consequent increase in the demand for shellac and the various types of lac from the trades using these commodities. But it is also partly due to speculative purchases. Lac and shellac are peculiarly liable to

this danger, that, if prices rise too high, then the manufacturers who require these products will turn to synthetic substitutes to the satisfaction of their requirements, especially if the synthetic substitutes are uniform in quality from year to year and their prices are not subject to fluctuation. The absence of reliable scientific data estimating the probable outturn of lac from year to year is much to be regretted, as it is the chief cause of the speculative activity in this commodity. During the year under review Germany decreased her takings of gum lac and shellac, the former falling from 2,376 tons in 1932 to 2,058 tons, while the latter were reduced to 1,727 tons from 1,921 tons in the previous year. On the other hand, France improved her purchases of button lac and shellac by about 17%. Belgium also appreciably improved her takings in 1933, especially in regard to seedlac.

A firm in Poland wrote and asked to be put in touch with exporters of shellac. Enquiries were made and the names of interested shippers were forwarded to the Polish firm. A firm in Calcutta was introduced to importers of shellac in Hamburg and Antwerp. Another Calcutta firm wanted to appoint an agent in Hamburg. Enquiries were made and the names of suitable parties interested in the enquiry were sent out to Calcutta. A firm in Holland was introduced to exporters of sticklac and shellac. A firm in Vienna wanted to take on the agency for Austria of shippers of shellac. Enquiries were made in India, and the names of interested exporters were transmitted to the Vienna firm. A firm in Oslo, Norway, was put in touch with shippers of shellac and button lac. A firm in Hamburg was introduced to exporters of seedlac and shellac. A firm in Antwerp wanted to be introduced to shippers desirous of appointing agents for Belgium and Holland. Enquiries were made in India and the names of interested parties were given to the Antwerp firm.

WOOD AND TIMBER.

A revival in the building industry in Germany created by the subventions granted by the authorities has enlarged the demand for teak during the year under review, as the following figures show:—

In Doppelzentners (10 Dz. = 1 metric ton).

		1931.	1932.	1933.
India	...	4,540	2,570	6,318
U.S.A.	...	1,977	—	1,029
Siam	...	1,450	1,113	1,617
Total	...	10,350	4,229	10,043

It will be seen from these figures that India accounted for more than half of the total imports of teak during 1933 and

that the increase in the case of her imports was as high as 152%. This increase in the imports of teak was continued into the first quarter of 1934 when imports from India rose from 52 tons in 1933 and 197 tons in 1932 to 363 tons in 1934. As the building boom continues under the stimulus of governmental influence imports of Indian teak may be expected to increase in the near future. A firm of timber agents in Oslo, Norway, desired to take on the agency of exporters of timber in India. Enquiries were made in India and the names of interested shippers in Calcutta and Rangoon were forwarded to the Oslo firm. A firm in Bremen was put in touch with exporters of teak and other hard woods. A furniture manufacturer in Gorlitz, Germany, was introduced to exporters of woods suitable for furniture manufacture. A firm in Hamburg was introduced to shippers of Indian hardwoods. A firm of furniture dealers in Nurnberg, Germany, wanted to be put in touch with exporters of Indian fancy woods, enquiries were made in India and the names of suitable firms forwarded to Nurnberg. A Hamburg firm was put in touch with exporters of teak and satinwood. An exporter in Rangoon was placed in touch with importers of teakwood in Rotterdam and Hamburg. A firm in Bremen was introduced to teakwood exporters in Rangoon. A firm of furniture manufacturers in Frankfurt, Germany, was introduced to exporters of rosewood and other woods suitable for the manufacture of furniture.

MIGRATES

Imports of Indian pig iron into Germany decreased from 9,113 tons in 1932 and 15,376 tons in 1931 to 7,168 tons in 1933. Sweden and the Saar improved their shares in the pig iron trade fairly substantially. As imports of pig iron into European countries are controlled by the international cartel which allots quotas to different countries, the import figures of pig iron are not indicative of purely trade tendencies during a particular year. German purchases of Indian tin also dropped to 1,837 tons in 1933 from 2,932 tons in the previous year. The Dutch Indies, on the other hand, improved their sales by nearly double and supplied almost half the total imports of 14,972 tons. For the quarter January-March, 1934, Indian tin imports were reduced by almost half as compared with the corresponding quarter of 1933, the Dutch Indies again improving their position by 50%. The following figures show the imports of manganese into Germany.

In Doppelcentners (10 ds = 1 metric ton)

	1931	1932	1933
India	233 8.4	54 667	300 425
1 India	1 114 574	823 240	8 9 767
But 2 India	33 173	22 310	50 517
Total	1 073 613	1 067 791	1 219 253

It will be seen that there was a great improvement in the imports of Indian manganese during the year under review and that the discrepancy between Russian and Indian imports was not so marked in the two preceding years. For the first quarter of 1934 there is, however, a regrettable decrease in Indian imports, the figure falling from 102,976 Dz. in 1933 to only 15,407 Dz. in 1934, whereas Russian manganese improved its position by nearly 100 %. Germany's purchases of nickel and wolfram showed improvement, especially of wolfram, where imports rose from 631 tons in 1932 to 1,397 tons in 1933. Imports of Indian pig lead into Germany fell from 1,656 tons in 1932 to a mere 208 tons in 1933. German purchases of mica improved slightly from 309 tons in 1932 to 388 tons in 1933. Paraffin wax imports from India also showed an improvement of 50 %.

France and Belgium are large consumers of Indian manganese, far larger than Germany. Belgium reduced her takings in 1933 by 27 %, as compared with 1932, and French imports were reduced by 26 %.

The following figures show manganese imports into France for the past three years:—

In metric quintals (10 quintals = 1 metric ton).

	1931	1932	1933
India	139,238	98,157	731,338
Russia	130,789	1,672,814	2,214,805
British Africa ...	310,702	52,104	873,690
Total	4827,03	3,491,688	5,049,775

It will be observed that there has been a severe decline in the imports of Indian manganese during the last three years and that Russia has not only supplied the deficiency but has made serious inroads into the French market. In 1931 Russian and Indian manganese were on equal terms, but by 1933 Russian imports were treble those of Indian, and represented half the total French imports, and even African imports were higher than Indian imports. French imports of mica in 1933 were slightly higher than those of 1932 but the last two years have been depressing by comparison with the normal imports into France. In 1930 imports of mica stood at 1,145 tons; in 1931 they sank to 473 tons; but in 1932 and 1933 there were further reductions to 125 and 130 tons, respectively. Imports of chromite into France were as follows:—

In metric quintals (10 quintals = 1 metric ton).

	1931	1932	1933
Total	127,722	133,989	193,697

The statistics do not specify countries of origin, which are India, Greece, Africa, Turkey and New Caledonia.

A firm in Calcutta wrote and asked for information as to the possibilities of marketing Tantalite or Columbite. Extensive enquiries were made, both from technical sources and from firms importing and dealing in minerals and it was eventually ascertained that the tantalite ore offered by the Calcutta firm was inferior as regards tantalum acid content to the ores already on the market in large quantities. German firms were not interested in Columbite. A firm in Amsterdam was introduced to shippers of chrome ore and other ores. A firm in Paris was put in touch with exporters of manganese chrome ore ilmenite and sillimanite. A firm in Essen, Germany was introduced to exporters of wolfram, chrome ore, manganese dioxide and other minerals. A firm in Berlin was introduced to Indian firms exporting ores and metals. A firm in Hamburg was put in touch with suppliers of chrome ore. A firm of iron and steel merchants in Cologne was put in touch with exporters of pig iron manganese and chrome ore. The same firm again sought our help in effecting connections with shippers of iron alloys e.g. ferro-manganese ferro-chrome and ferro-silicium but it was ascertained that iron and steel works in India were not interested in the export of the above alloys to Europe. A chemical and electrolytic factory in Hamburg desired to be put in touch with suppliers of kyanite and monazite sand. Enquiries were made in India and the necessary introductions effected. A firm in Vienna wrote and asked to be introduced to mica exporters wishing to appoint agents in Austria. Enquiries were made and the names of interested parties forwarded to the Vienna firm. A firm in Antwerp wanted to be put in touch with exporters of manganese ore enquiries were made and the necessary introductions effected. The same firm subsequently obtained our aid in effecting introductions with shippers of chrome ore and wolfram ore. A firm in Brussels was put in touch with exporters of kyanite ilmenite, sillimanite and zircon. An Antwerp firm was introduced to suppliers of barytes. A merchant in France was placed in touch with exporters of monazite sand. Another French firm was put in touch with exporters of monazite ilmenite and zircon. Still another French firm was put in touch with exporters of manganese dioxide. The same firm again sought our help in getting into touch with exporters of gums and wax. A firm of mica exporters in Giridih were put in touch with firms in Germany and France interested in taking up agency work on behalf of the exporter. The Minerals Adviser to the High Commissioner in London has given us very valuable advice and assistance in dealing with all mineral enquiries and thanks to his technical knowledge we have been able to deal confidently with mineral enquiries of all kinds.

Chapter IV.—Prices in 1933/34.

Mention has been made in an earlier chapter of the fact that prices in general, commodity, wholesale and retail, have moved in a steady upward direction during the year under review and that they have tended to exhibit a greater buoyancy than in the past two years. Erratic and violent fluctuations appear, on the whole, to be gradually disappearing and the general level has been consistently higher than in 1932 and shown far more firmness. Price movements, when they have occurred, have generally shown improvement. In short, the two main features of 1933-34 prices have been improvement and steadiness. One of the effects of the present prolonged depression has been to induce that state of mind which makes one apt to compare the present with the immediate past and to be thankful for small mercies, if the comparison shows some slight gain here or there even for the briefest of periods. Indeed, this mood is readily understandable; for when the attempt is made to draw comparisons between prevalent conditions to-day and the conditions in existence, say, five or ten years ago, the gloom of the present landscape is heightened when placed in juxtaposition with the bright picture of those prosperous days, and the merchant in self defence seeks to avoid the pain of recalling to mind the prices he used to obtain for his goods in the past. Nevertheless it is often necessary as well as profitable to view the present in the light of the past, especially for the purpose of ascertaining whether the comparison reveals any clue to the future.

Starting with wholesale prices it will be useful to observe their general trend since 1926 up to the beginning of the year under review. It will be recalled that President Roosevelt has repeatedly expressed his desire to raise wholesale prices in America to their 1926 level. The Empire Governments, on the other hand, have not intimated any precise level to which they desire to see wholesale prices rise. In their joint Declaration of July, 1933, it is stated that "any price level would be satisfactory which restores the normal activity of industry and employment, which ensures an economic return to the producer of primary commodities and which harmonises the burden of debts and fixed charges with economic capacity." The Board of Trade wholesale price index number has been taken to illustrate the course followed by wholesale prices since 1926. In this table the basic number 100 is the average for the year 1913.

		1926.	1927.	1928.	1929.	1930.	1931.	1932.	1933.
April ...	...	144	139	142	138	123	105	102	297.
July ...	...	148	141	141	137	119	102	97	
December	...	146	140	138	132	108	105	101	

It will be seen from these index numbers that wholesale prices at the beginning of our review year had fallen by nearly 47 points or 33%, as compared with 1926. Compared with the beginning

of 1929, prices in April 1933 were down by 40.8 points, or 30 per cent. On the other hand, it will also be observed that prices commenced to drop long before the present depression started. Between 1926 and the end of 1929 when the depression began there was a drop of 12 points, or nearly 10 per cent. Therefore, more than a quarter of the fall in wholesale prices between 1926 and 1933 had already taken place when the depression commenced. The remaining three-quarters of the fall being no doubt accelerated by it. A fall in prices is ultimately due to two interconnected causes, first, a scarcity of money, i.e. a decrease in the volume of money in proportion to the volume of goods, and secondly an increase in the volume of goods without a corresponding increase in the demand for them. As a matter of fact both causes were operating jointly at the same time from 1926 onwards to bring down the level of prices. Considerable quantities of gold were disappearing from active circulation due to being accumulated in America and France. At the same time deflation mostly in the shape of credit contraction was being practised by the monetary and banking authorities of the majority of countries. And, on the other hand high prices and scientific and technical improvements, especially in agriculture, caused a huge increase in the world output of agricultural products and raw materials out of all proportion to the world demand for primary commodities. The accumulation of large surplus stocks intensified by artificial methods to hold back the marketing of existing stocks, e.g., the Canadian Wheat Pool and the Egyptian cotton control, inevitably had a most demoralising effect on prices and must be regarded as one of the major causes of the economic depression. Subsequent to 1929 wholesale prices continued to drop steadily and unchecked except for the brief interlude of sterling depreciation at the end of 1931 right on up to the beginning of 1933 when the index number stood at 97.2 points. Coming now to the year under review it will be useful to give a wholesale price index numbers of the Board of Trade for a month of the review year.

Average for 1911 100

1933
April
May
June
July
August
September
October
November
December
1933
January
February

97.2
91.2
101.7
102.3
102.1
103.0
102.6
102.8
102.8

101.1
101.1

[illegible]

By comparison with wholesale prices primary commodity prices have reacted even more sensitively to the influences of the economic depression. This is but natural, as the former contain a number of factors, e.g., fixed overhead and interest charges, which exhibit greater resistance to depression, while commodity prices which have no shelter bend to every gust of the economic storm. The following table shows the course of primary commodity prices from 1926 up to the commencement of the year under review. In this case the basic index number indicates the level of prices in September 1931 when England departed from the gold standard —

	1926	1929	1931	1932	1933
April	200	180	114.5	104.5	95.3
September	210	170	100	100.2	
December	203.5	160	119.4	103.3	

It will be seen from these index numbers that between 1926 and the end of 1929, commodity prices fell by as much as 40 points or 20%, just double the fall in wholesale prices in the same period. Between December 1929 and September 1931, there was a further fall of 60 points or 30%. The impetus imparted to commodity prices by the departure of sterling from gold raised them by about 10%, but by April 1932, most of this ground was again lost. The short lived revival during the middle of 1932 again benefited prices but not for long, and they began to sink downwards till by the commencement of 1933 the index number was as low as 95.3. Coming to the year under review, the following index numbers show the development that has taken place in commodity prices in this period. The basic index number is the same as in the previous table, 100—September, 1931 —

April	May	July	October	December	February
1933	1933	1933	1933	1933	1934
94.3	116.3	119.1	114.4	116.3	116.1

The contrast between the tendencies seen in these tables is at once apparent. In the first table between 1926 and 1931 the tendency is continuously downwards. Between 1931 and the beginning of 1933 the same tendency continues and any improvement is being constantly checked and the downward movement resumes sway. On the other hand the tendency between April, 1933, and February, 1934 is in an upward direction all the time and the reverse suffered in October is quickly counteracted and the improvement resumes its course. It will thus be seen that commodity prices in whose fate India is deeply interested, confirm the conclusions deduced from the trend of general wholesale prices during the review year, and point to a gradual and steady recovery in the future.

It is necessary to point out that the process of recovery that has been taking place during the year under review is not confined to any one country, but is general in character and well distributed over the majority of countries. The following table illustrates well the widespread character of the present revival in prices. The index number 100 represents the level of prices in September, 1931.

		U.K.	U.S.A.	Germany.	France.
1932.					
April ...	...	103.5	90.2	90.4	96.7
July ...	...	98.7	87.6	88.1	91.4
October ...	...	104.0	88.6	86.7	89.1
December ...	...	102.3	84.8	84.9	88.1
1933.					
February ...	...	100.3	79.9	83.8	88.0
April ...	...	99.5	82.9	83.3	87.0
May ...	...	102.1	87.4	84.4	86.5
June ...	...	104.4	92.4	85.5	87.8
July ...	...	106.7	100.0	86.3	89.8
August ...	...	106.1	102.2	86.6	89.3
September ...	...	106.5	103.2	87.2	87.9
October ...	...	105.5	103.8	87.9	87.2
November ...	...	105.2	104.0	88.2	86.5
Decemer ...	...	105.4	104.0	88.4	87.4
1934.					
January ...	...	107.7	104.8	88.5	87.6
February ...	...	109.5	106.9	88.5	86.8

The year 1932 is marked by a universal decline in all the four countries. By April, 1933, prices had sunk to a much lower level than in April, 1932, in some cases by 4 points, in others by as much as 9 points. From April, 1933, to August in the same year, all four countries record substantial improvements. In September and October there is a slight setback everywhere. In November two countries again begin to improve, the other two record a further decline. In the period December, 1933, to February, 1934, three countries record further improvement, while one country continues to fall back. By the end of February, England shows an improvement of 10 points, America one of 26 points, and Germany one of 5.2 points. On the other hand, France records a decline of .2 of a point. America shows the greatest improvement as a result of the energetic policy of her Administration, with England occupying a middle position between her and France. The identity of the four countries is interesting in relation to their respective price movements. The three countries which record an advance in their price levels are precisely the countries which have deliberately abandoned deflation in their monetary policy, and two of them have openly announced their adherence to the policy of raising wholesale

prices and have put this policy into practice. The third Germany, while not publicly subscribing to the policy of raising prices, has set its face against all deflationary methods and has officially adopted the policy of enlarging credit by means of taxation remission and public works undertakings. Thus all three countries have created cheap and plentiful monetary conditions and these conditions have directly and substantially helped to raise the wholesale price levels of all three. On the other hand, France is still wedded to deflation and has throughout the year under review made every effort either to lower her level of wholesale prices or at least to maintain them at the level of April, 1933, arrived at after four years of intense deflation. As opposed to France the three reflationary countries have witnessed a marked improvement in their wholesale price levels.

Coming to prices, it is interesting to compare prices in March 1933, as quoted on the Hamburg/Bremen exchanges with those prevailing at certain previous dates. The following table shows the prices of the principal Indian commodities in September 1931, April, 1932, September 1932 and March 1933.

	September 1931	April, 1932	September 1932	March 1933
First marks	£19 12 6	£17 7 6	£18 12 6	£14 10 0
Bremen cl. I	5 90s	4 20s	5 35s	3 85s
Bremen cl. II	6 00s	4 60s	6 00s	4 20s
Almas L.R.O.	8 sh 6d	11 sh 2d	9 sh 4d	6 sh 6d
Almas	21 sh	19 sh 6d	17 sh 6d	13 sh 6d
Roundnuts	£15 0 0	£13 12 6	£14 12 6	£11 6 3
Roundnuts	£10 10 0	£10 2 0	£11 6 0	£9 15 0
Roundnut cake	Rm. 8 85	Pm. 8 50	Rm. 8 70	Rm. 8 20
Roundnut cake	1 m. 6 70	Rm. 5 75	Rm. 5 45	1 m. 5 20
Almas	15 66s	10 17d	11 67d	11 07s
Almas	9 57s	10 41d	8 45s	9 00s
Kips	6s	5s	6s	5 12
Kips	74 sh	56 sh	61 sh	47 sh

It will be observed from this comparative table that in April, 1932, the advantages derived from the departure of sterling from gold had been almost wholly lost. After a very brief interval, sterling prices resumed their downward trend in sympathy with gold prices, which were also going down. It will remain a moot point among economists whether a further fall in gold prices at that period was the cause of the fresh decline in sterling prices, or whether the departure of sterling from gold was the cause of the continued heavy fall in gold prices from October, 1931, to July, 1932. The truth, probably, is that both events influenced each other appreciably and that in any case the economic conditions of the time made further falls in both gold and sterling prices absolutely unavoidable. In September, 1932, the effects of the American reflationary boom and the successful outcome of the Lausanne Reparations Conference on wholesale prices were plainly visible. With the exception of two or three items, e.g., rice, groundnuts and groundnut cake, there was a remarkable increase in the prices of all the primary commodities. Jute, cotton, linseed, shellac, kips and tea all advanced in value. Then followed during the next six months a severe all-round decline in wholesale prices, more especially commodity prices. The political and economic history of those months was, in the main, responsible for this fresh deterioration. The failure of European countries to arrive at a final agreement with America over the debt question, the uncertainty prevailing in the political atmosphere of Europe at that period and the economic and monetary confusion prevalent in the United States in the first months of 1933, all created a fresh lack of confidence in the business world and thereby caused the alarming fall in commodity prices that occurred between September, 1932, and March, 1933. As we have seen earlier, this period may be regarded as the worst period of the depression, when the economic outlook was at its blackest. At the end of it some commodities touched their lowest recorded level. Jute (first marks) stood at £14 10s. 0d., cotton (Bremen, Classes I and II) at 3.85d. and 4.25d., groundnuts at £11 6s. 3d., shellac at 45s. and Calcutta Kips (M.D.S.) at 5½d. Recovery dates with the ending of this chapter in the history of the depression.

The first quarter of the review year witnessed an entire change in the direction of economic events. The whole trend of wholesale and commodity prices was completely altered, and from about the end of April a steady advance was begun all round. The following table compares prices as they stood at April with prices which ruled at the end of June:—

Jute	First marks	April 1933		June 1933	
Cotton.	Bremen cl I		£16 12 6		£17 0 0
	Bremen cl II				
Rice.	Burma L.R.O	38½d		430½	
	Tanna	42½d		50½d	
Oilseeds.	(Groundnuts)	8 sh.		8 sh. 9d.	
	Linseed	15 sh. 3d		17 sh. 6d.	
Oilcakes.	(Groundnut cake)	£10 7 6		£11 12 6	
	Linseed cake	£9 8 0		£11 8 3	
Tea.	Northern Indian	Rm 5 20		Rm. 7 60	
	Southern Indian	Rm. 5 20		Rm 7 65	
Calcutta Kips.	M.D.B.	98½d		95½d.	
		108½d		96½d	
Bellac.		8½d		6½d	
	T.N. Orange				
		43 sh. 6d.		64 sh.	

It will be seen that with the exception of teas there is a keel improvement in all the principal commodities during the quarter of the review year. Jute prices advanced by 2½%, cotton by 11%, rice by 12%, and there were similar advances in other commodities. This rise in prices during the quarter was due to a variety of causes among which may be included the measures adopted by the National Recovery Administration to stimulate industry and trade and to decrease unemployment in the U.S.A. American industrialists began to draw on the commodity markets of the world to replenish their depleted stocks before prices went much higher. The boom in prices, also joined in and fought large stocks of hand reacted favourably on sterling and gold prices and by June a world wide price advance had taken place. It is noted that the improvement was made up of two elements, namely one, a legitimate expansion in the demand for raw materials on the part of various industries, the other, an element, the speculative accumulation of stocks by the look out for big profits.

This brings us to the second quarter of the year under review and the following table sets out commodity prices in July and September:--

					July, 1933.	September, 1933.
Jute						
First marks	...	...	...	...	£17 12 6	£14 15 0
Cotton.						
Bremen cl. I	...	...	...	...	1201	3901.
Bremen cl. II	...	...	...	...	1751	4601.
Rice.						
Burma L.R.O.	..	...	...	...	8 sh. 51	Rm 9.80 (including duty & surcharge).
Patna	...	..	..	...	17 sh. 61	—
Oilseeds.						
Groundnut	...	...	...	...	£11 15 0	£10 1 3
Linseed	...	...	...	...	£11 17 6	£11 0 0
Oilcakes.						
Groundnut cake	...	...	...	...	Rm 7.45	Rm. 8.35
Linseed cake	...	...	...	...	Rm. 7.50	Rm. 7.95
Tea.						
Northern Indian	..	...	...	...	9551.	15.551.
Southern Indian	...	...	...	...	9691	12.71d.
Calcutta Kips.						
M.D.S.	...	...	...	...	63/5d	61d.
Shellac.						
T.N. Orange	...	...	...	...	65 - sh	55 - sh.

The period July-September is marked by a setback to the advance made in the quarter April-June. In some cases, e.g., jute and groundnuts, the setback is serious, though in most cases prices did not decrease to the level of April. The causes of this retreat in commodity prices are (i) overstocking in America and the slowing-down of industrial progress in that country, (ii) dispersal of the World Economic Conference without achieving much result, (iii) renewed lack of confidence due to fear of tariff and currency wars between countries, and (iv) deterioration in the political atmosphere of Europe, which also helped to dispel confidence. After six months of unhampered progress the "new deal" in America was beginning to meet with loud criticism and open opposition in regard to many of its aspects. There was also a definite slowing down of industrial activity as the discovery pace with industrial production was by no means keeping industrialists and speculators found themselves overstocked in the matter of raw materials; and during the end of this quarter and

the beginning of the next one (October-December) a general unloading of primary commodities on the American market took place and led to the sharp decline in prices that occurred about this time. The failure of the Economic Conference to remedy the ills for which it was called into being and the clash of fundamental views in regard to monetary policy caused world wide disappointment, and the abandonment of the tariff truce by one country after another at the close of the Conference created further alarm at the prospect of renewed tariff hostilities. It is not, therefore, surprising that there was a setback to commodity prices during this period of the year under review. The chief factor in trade and business prosperity was at this time conspicuous by its absence—business confidence.

Coming now to the third quarter of the review year, the following table shows the trend of prices between October and December —

	October 1933	December 1933.
First Marks		
men of I	£14 15 0	£15 0 0
men of II	3.00/	3.55/
ma 2.11 0	4.50/	4 15d.
is	Fr 9 80	Fr. 10.15
minutes	—	—
nd	£2 1 0	£2 3 9
Input rate	£10 14 9	£11 1 3
Input rate	Fr 7 75	Fr 8.15
n Indian	Fr 8 15	Fr 8.90
Indian	15 50/	15.80/
n	12 7 1	13 92/
re	63 4 1	6 10
	—	8 50 61

It is observed that during this quarter the prices of commodities show increases while others record a decline. Indeed, calumet, tea and shellac show improvement,

while cotton, groundnuts and kips display weakness. As regards cotton, the uncertainty in regard to the official attitude in America towards crop control and reduction, and the publication of "bearish" forecasts, had a depressing effect on world cotton prices, in which Indian cotton prices also shared. The announcement by France and Holland, both large consumers of groundnuts, to place restrictions on the imports of oilseeds, depressed demand, and had an unfavourable influence on prices. The main feature of this quarter is a partial check to the deterioration that had set in during the previous quarter, which is evidence of the contention that during the year under review the influences making for recovery are strong enough to make themselves felt: in most cases these influences have been able to get the better of the factors making for depression.

The final quarter of the year under review is, on the whole, an encouraging one, and affords grounds for sober optimism in regard to the future. The course of prices between January and March, 1934, are set out below:—

	January, 1934.	March, 1934.
Jute.		
First marks	£16 0 0	£16 3 9
Cotton.		
Bremen cl. I	3.55d.	3.75d.
Bremen cl. II... ..	4.15d.	4.50d.
Rice.		
Burma L.R.O.	Rm. 10.15	Rm. 10.15
Patna	Rm. 17 80	Rm. 17.80
Oilseeds.		
Groundnuts	£8 15 0	£8 8 9
Linseed	£10 15 0	£11 5 0
Oilcakes.		
Groundnut cake	Rm. 8.35	Rm. 8.00
Linseed cake	Rm. 8.75	Rm. 8.60
Tea.		
Northern Indian	14 75d.	14 63d.
Southern Indian	14.25d.	14.33d.
Calcutta Kips.		
M.D.S.	6 1/4d.	5 3/4d.
Shellac.		
T.N. Orange	92 sh. 6d.	92 sh. 6d.

During this period, jute, cotton and linseed have made a further advance, while rice, tea, shellac and oilcakes have, more or less, held the ground gained in the previous quarter. The



EXHIBITION OF INDIAN RAW MATERIALS, COIR MATS AND MYSORE GOVERNMENT
SANDALWOOD OIL, LEIPZIG FAIR, 1934

decline in groundnut prices was during this last quarter far less than in the previous one. The only serious setback was in the case of M D S Raps, which lost a halfpenny during this period.

A comparison of prices prevailing in March, 1933 with those at the end of the year under review, reveals a steady advance spread over a large number of commodities. For instance, jute has advanced from £14 10s 0d to £16 3s 9d. Burma rice has risen from 8s 6d to the equivalent of more than 10s, linseed from £9 15s 0d to £11 6s 0d, oilcakes from Rm 5.20 to Rm 8.75, shellac from 4½s to £4 12s 6d, tea from 11 06d to 14 63d, and Calcutta Raps from 5½d to 6½d. On the other hand, groundnuts have deteriorated from £11 6s 3d to 48 8s 9d, while Bremen Class I cotton has decreased from 385d to 375d, though Bremen Class II has risen from 420d to 450d. The year under review is the first since the commencement of the depression when commodity prices have not only not deteriorated but, on the contrary, made a slow but steady advance, sustained over a long period of time. These facts give good grounds for hoping that at long last the world is witnessing a reversal in the direction of price movements and a gradual recovery towards better times, which will gather additional momentum when the present artificial restrictions to trade are removed and commerce allowed to pass unhindered from one country to another.

Chapter V.—The Leipzig Spring Fair, March 1934.

(Written by Mr C O Mander (Chief Clerk))

One of the duties of the Indian Government Trade Commissioner at Hamburg is to perform a certain amount of publicity work for the purpose of bringing Indian merchandise to the notice of the business community in the countries coming within the scope of his activities. During the past years this has been done with good results by exhibiting Indian raw materials and manufactured goods at the Leipzig International Sample Fair, and for this reason permission was applied for and granted by the High Commissioner for India in London to this office to participate on behalf of the Government of India at the Leipzig Fair, which was held from the 4th to 10th March 1934.

In these days of keen business competition, important fairs are held under Government patronage in almost every country on the European continent, where Indian commodities could be exhibited to great advantage from a publicity point of view. It must, however, be noted that these fairs in most cases are exclusively visited by the business people of the country in which they are held and that in some cases they are even only of

regional importance. The Leipzig International Fair, however, has been held for many decades, and due to its up-to-date organisation it attracts trade buyers from all parts of the world. With the limited funds placed at the disposal of this office for publicity purposes the Leipzig Fair is therefore best suited for the exhibition of Indian commodities in that it is an international fair and affords an excellent opportunity of showing samples of Indian raw materials and manufactured goods to a wide circle of international trade buyers.

In this connection the official figures compiled by the Fair authorities in regard to visitors to the Leipzig Spring Fair in 1934 are of interest. According to these statistics the total number of trade buyers who visited the Fair amounted to 158,924, which is a good average compared with the number of people who came to the Fair in previous years. Of this number 15,489 came from 26 European countries other than Germany, 482 from the U.S.A., South and Central America, 311 from Asia, 63 from Africa and 21 from Australia. It is, of course, not possible to give precise information regarding the number of visitors to the Indian stand, but it suffices to mention here that in all 188 business enquiries of an urgent nature emanated from the countries given in the following table:—

Germany	...	...	...	127
Hungary	..	...	...	7
Switzerland	.	...	...	11
Czechoslovakia	..	...	...	5
Holland	..	...	...	5
Spain	...	...	...	4
Belgium	...	...	...	4
Italy	...	..	...	3
Austria	...	...	..	3
Denmark	...	...	..	2
U.S.A.	..	...	..	2
Latvia	...	..	...	2
Great Britain	...	...	...	2
Sweden	...	...	..	2
Saar Territory	...	..	..	1
Poland	...	...	..	1
Jugoslavia	...	...	...	1
Palestine	...	...	..	1
Bulgaria	...	..	...	1
Brazil	...	...	..	1
Lithuania	...	..	...	1
Finland	...	...	...	1
Luxembourg	...	...	..	1

In addition to these, over 800 enquiries of a less urgent nature were received from business men from all parts of the European continent, the larger percentage, however, emanating from Germany. It may, therefore, be said that participation on behalf of the Government of India at the Leipzig Fair achieved its immediate object, i.e., it created a lively interest for Indian raw materials and manufactured goods, and afforded the Office of the Indian Government Trade Commissioner Hamburg, a splendid opportunity of getting into close and personal touch with representatives of firms in countries within its field of activity. These advantages have also, of course, been recognised by the Governments of several other countries who also participated at the Leipzig Fair, several of them, including Japan, exhibiting their goods on a very elaborate scale and occupying very large stands.

The size of the Indian stand was 37 sq metres, and was located on the 6th floor of the Ringmessehaus, adjacent to the Japanese and Austrian stands. As the site which was occupied last year proved to be very favourable the same position was rented again this year, the stand being situated between two gangways, to which visitors could gain easy access by a well-organised service of four lifts.

Through the good offices of the Director General of Commercial Intelligence and the Directors of Industries, firms in India likely to be interested in displaying their goods at the Fair under Government patronage were invited to do so on the following conditions:—

- (i) Exhibits were to be supplied to this office free of cost.
- (ii) All transport, freight clearing and landing charges from India up to Hamburg were to be borne by the participating firm and also back again from Hamburg to India, if the return of the exhibits was desired.
- (iii) No retail sales were allowed on the Government stand but at the conclusion of the Fair, the goods, if desired, were to be sold to genuine trade buyers at wholesale prices to be previously fixed by the exhibitor.
- (iv) Trade enquiries from buyers and wholesale orders received were to be recorded and forwarded to exhibitors, without any responsibility on the part of this office, provided that full particulars regarding prices, terms of shipment, etc., had previously been given.
- (v) Goods not sold at the end of the Fair and/or the return of which was desired, were to be despatched to the participating firm freight forward.

In all 23 firms sent orders to this office for exhibition at the Fair, their only expenses being freight in respect of the exhibits from India to Hamburg and back again to India. None of the goods from India, however, arrived within the specified time, and as a consequence the checking of the goods, compliance with customs formalities, preparation of price lists for ready reference at the Fair, and other detail work, had to be done in a rush. The goods of three firms could not be exhibited at all, because they arrived only a few days before the commencement of the Fair, when all the exhibits had already been sent collectively from Hamburg to Leipzig. At such short notice it was impossible to comply with the necessary customs formalities and to despatch these goods in time for the Fair. For the guidance of firms in India who wish to participate under Government patronage at any future Fair at Leipzig, it is pointed out that the arrival of the exhibits at Hamburg within the specified time is most essential, and that disappointment may be avoided if the despatch of the goods is not delayed till the last moment.

A large variety of representative manufactured goods was sent by firms in India, or their London agents, and included carpets, sports goods, artware made of carved and lacquered wood, brass, silk and ivory ware, lace work, etc., while Indian raw materials, such as jute, hemp, oilseeds, oilcakes, coir and palmyra fibre, spices, tea, etc., were obtained locally. Samples of rice, paddy, barley, linseed and cotton, which had been sent to the Trade Commissioner by Directors of Agriculture in India for permanent display at his office, were also forwarded to Leipzig for exhibition at the Fair. Samples of sandalwood oil and coffee beans were exhibited at the Indian stand on behalf of the Trade Commissioner for Uganda in London. Goods were also exhibited on behalf of two other Government institutions, namely, the Punjab Arts and Crafts Dept., Lahore, and the Government Silk Institute, Noidaapur Bhagalpur.

All the exhibits which were dutiable under the German customs tariff were by previous arrangement with the local customs authorities exempted from customs duty on their arrival in Hamburg, the Office of the Indian Government Trade Commissioner guaranteeing the customs duty in the event of the goods not being re-exported within a specified time.

As in 1903, the exhibits displayed at the stand were advertised in the official Fair Directory. With a view to increasing the number of visitors, the advertising was carried out on a larger scale this year, inasmuch as the Indian stand, as well as the Trade Commissioner's Office in Hamburg, were inserted under fifty commodity headings as compared with twelve in the previous

year. The costs of this extra advertising were naturally higher, but the increased number of enquiries received this year as compared with last can undoubtedly be traced to the extensive publicity which was given to each individual article. The total advertising costs were comparatively low, and expenditure on advertisement in the official Fair Directory is all the more justified in that this Directory is not merely used as a reference book for the duration of the Fair, but is referred to by business people throughout the whole year, because it contains classified information regarding up-to-date and reliable sources of supply. Incidentally, it may be mentioned that since this particular kind of advertising was undertaken at the Leipzig Fair in 1933, many enquiries addressed to this office have been the outcome of the publicity given to Indian raw materials and manufactured goods in the official Fair Directory.

The stand was decorated along the same lines as last year, special sections being made for manufactured goods and raw materials. At both sides of the two entrances, excellent specimens of Indian carpets attracted the eye. The inside walls and shelves were also draped with carpets and silk rugs, the colour scheme of which was very effective. Photographs of sections of the stand are attached to this report.

The revival of industry in Germany resulting from the measures adopted by the German Government created a general atmosphere of optimism throughout the duration of the Fair. At the same time, it was noticeable that buyers from all countries were reluctant in placing orders and as far as visitors to the Indian stand were concerned they confined themselves to taking down the addresses of Indian suppliers and of making notes of prices and other particulars, with the ultimate view of future business.

There were three classes of enquirers: (a) Those who required goods urgently, (b) those who asked for general information as to prices, customs duties, etc., with a view to future business and (c) those who made enquiries of a general nature regarding India's arts, commerce and agriculture and also as regards travel and conditions of living in India. One hundred and eighty-eight enquiries were made under category (a) and about 800 under (b). These enquirers were handed a printed list containing the names and addresses of exhibitors at the Indian stand with the class of goods exhibited noted against each. A copy of this list is appended to this report (Appendix D). In addition, they were supplied with detailed information regarding prices, time of delivery, etc. Many enquiries of a general nature under category (c) were received, a few being made by prospective

tourists to India. The latter were handed small printed booklets regarding travel in India, which had been kindly supplied by the Railway Department in London. The following list shows the varieties of goods which were enquired for by buyers under category (a):—

Arts and Crafts ...	...	...	8
Woodware (carved) ...	...	...	6
Laces ...	...	...	18
Ivory goods ...	...	...	8
Straw baskets ...	...	...	3
Bamboo and Tonkin ...	...	...	5
Chutneys ...	...	...	4
Curry powder ...	...	...	8
Pickles ...	...	...	1
Condiments (general) ...	...	...	7
Coffee ...	...	...	6
Tea ...	...	...	6
Rice ...	...	...	6
Mango pulp ...	...	...	4
Coir yarn ...	...	...	5
Silk yarn ...	...	...	1
Cotton yarn ...	...	...	1
Hair ...	...	...	2
Cotton (raw) ...	...	...	7
Hemp (raw) ...	...	...	6
Jute (raw) ...	...	...	5
Kapok ...	...	...	5
Palmyra fibre ...	...	...	2
Ramie fibre ...	...	...	4
Wool (raw) ...	...	...	2
Other fibres ...	...	...	4
Hides and skins ...	...	...	9
Reptile skins ...	...	...	12
Guts and casings ...	...	...	3
Tennis guts ...	...	...	4
Sports goods ...	...	...	32
Carpets and druggets ...	...	...	8
Jute bags and cloth ...	...	...	3
Silk manufactures ...	...	...	3
Other textiles ...	...	...	5
Chemicals ...	...	...	2
Lac ...	...	...	1
Incense sticks ...	...	...	9
Mica ...	...	...	3
Oils (vegetable) ...	...	...	5
Oils (essential) ...	...	...	1
Oilseeds ...	...	...	3
Tragacanth ...	...	...	1
Drugs and herbs ...	...	...	9

Several people who visited the Fair last year also put in an appearance this year, these were chiefly buyers from departmental stores who were on the look out for manufactured goods and, in particular, for cheap artware and sports goods, for which there is a good demand in this type of store. They also took a keen interest in the work baskets and the lacquered wood powder bowls and ash trays.

As regards sports goods, particularly hockey sticks were sought after, as the quality of these sticks is considered to be very good and their price comparatively cheap. One German buyer from Berlin, who was introduced to Indian exporters of hockey sticks at the stand at the Leipzig Spring Fair in 1933, stated that his clients were very satisfied with the quality of the sticks which he had purchased in the past year. One point regarding hockey sticks may be of interest to manufacturers in India who export their goods to Germany, namely, that the sticks which are bound at the top with leather are subject to a high customs duty on entry into this country. It was suggested by a merchant from Cologne, who visited the Indian stand, that these leather bindings should be substituted by rubber tubes, thereby allowing the goods to be imported into Germany at a lower rate of customs duty. Incidentally, hockey players in Germany prefer these rubber tubes. With regard to Indian footballs the complaint was often heard that they lose their shape after very short service, and the opinion was expressed that only good quality footballs with protected seams find a market in Germany.

It was noticed that this year the prices of Indian tennis rackets were considered too high, whereas in former years their prices and quality had been considered satisfactory. On enquiries being made as to the reasons underlying this factor, it was ascertained that Japan is now placing on the market very good quality and cheap tennis rackets, competing severely with rackets of Indian manufacture. The Japanese stand at the Leipzig Fair was not very far away from the Indian stand, and it was noticed that buyers invariably visited both stands with a view to comparing prices. Apparently the prices of the Japanese goods proved to be more competitive and buyers took interest only in the very cheap children's and badminton rackets at the Indian stand, which were not being exhibited on behalf of Japan.

As usual, carpets proved to be a great attraction. The samples sent by one exhibitor, who has had considerable experience in dealing with European importers, met with general approval, the selected designs, prices and sizes being satisfactory. Enquiries for carpets did not emanate from buyers who have, in the past, been importing Oriental carpets, but chiefly from dealers who are

trading in European-made imitations of Oriental carpets. Having ascertained from the official Fair Directory that carpets were also being exhibited at the Indian stand, these dealers naturally took advantage of the opportunity to compare prices. Finally, they purchased all the samples of the smaller-sized carpets and stated that, although the carpets were on the expensive side after the duty and profit had been added to the prices, yet their customers would probably be prepared to spend a little extra money for the advantage of having a genuine Oriental carpet. The object, therefore, in their purchasing the smaller-sized carpets was to test the market by finding out what reception they would receive amongst their customers. The carpets which another firm sent for display at the stand were very poor specimens. They were extremely heavy and the colour scheme and finish could in no way compete with European-made imitations. Cheaper quality carpets should weigh as little as possible, because in many European countries customs duty is levied according to weight, and in some cases the duty works out at three times the price of the carpet itself. Miniature patterns of druggets were received from another exhibitor, which attracted great attention. The only difficulty was, however, that buyers could not see the actual sizes of the druggets which the Indian firm could sell, and it would therefore have been better if the exhibitor had sent at least one sample of actual size in order that buyers could see at a glance the effect of the drugget laid out on the floor. A German firm in Dresden, who had been purchasing coir mats from India, complained that the mats received were of uneven quality. The weight of one and the same quality of mat varied considerably, because some of them were worked more firmly than others, some being thick and some thin. As mentioned above, the German customs duty on carpets is levied according to weight and, as these particular mats are sold per sq. metre, a loss invariably occurs on the heavier goods. The same complaint was made by a Belgian dealer in coir mats.

The majority of the lacquered woodwork was considered on the expensive side, and it was noticed that the cheaper varieties attracted the most attention. The ivory inlaid and carved woodwork tables proved a great attraction. Buyers of exclusive artware shops, who deal in similar kinds of goods coming from the French Colonial Possessions, were interested in this type of article, but stated that nowadays these are more or less articles of luxury for which there is only a small demand. Ivory work, as a whole, was very popular, but, as was experienced last year, prices were rather high. A looking-glass set in ivory with a coloured European print at the back created no interest whatsoever. Only typical Indian ivory ware of a purely Indian character, as, for instance, the ivory elephants, Lord Buddha

images and highly artistically carved powder boxes, associated. As regards silk goods, the shawls and covers met with much more interest than at the previous year. They were sought after by suppliers to high-class decorators and it appears that in view of the increasing popularity of brightly coloured cushion covers in Europe Indian cushions would find a ready market on the Continent if they were of silk in the same colours and designs as the shawls. Several of them called at the Indian stand, and from remarks, who were also exhibiting their requirements and made it appeared that they had been importing similar material from China. The Indian yarn suits their requirements and there is reason to believe that an outlet could be found for this kind of yarn once it has been introduced on the market. Jo sticks attracted the attention of a number of people and it is evident that a certain amount of business can be done in this article.

A special effort was made to bring to the notice of visitors Indian chutneys and condiments. Indian curry powder, chutneys and condiments do not enjoy on the Continent anything like the popularity which they do in England. In fact, it may be said that they are very little known. Bearing this in mind therefore, the small number of enquiries received at the Indian stand may be regarded as satisfactory. Only the smallest sized bottles of chutneys and pickles, and the smallest tins of curry powder were enquired for, and the prices of these of one exhibitor were considered too high, with the exception of those of one exhibitor whose name and address was noted by the majority of buyers. An important enquiry was received from the buyer of an organisation which supplies shops all over Germany selling specialities to vegetarians. The representative of this concern stated that there is a good possibility of creating a demand for his commodity amongst vegetarians in Germany. He expressed his intention of approaching the suppliers of the curry powder, who exhibited their goods at the Indian stand with a view to buying large quantities and to obtaining cooking recipes for publication in a German vegetarian journal which has a large circulation in this country. His idea was to purchase a large quantity of curry powder for repacking and selling in tin containers under his firm's name. Two further enquiries were received for curry powder from manufacturers of sauces, and soups in cubes who considered it worth while to make enquiries with curry powder in connection with the products they manufactured. The information obtained from various sources for Indian condiments verified the opinion expressed in

last year's report that, by means of practical demonstrations and distribution of free samples and literature at cookery, food and household exhibitions in Germany, Indian condiments would gain popularity and create a good market for themselves. Indian jams elicited no enquiries.

Enquiries were made regarding all kinds of Indian raw materials, including coir yarn, jute, wool, animal hair, oilseeds and oilcakes, rice, cotton, minerals, hides and skins. The exhibits of reptile and lizard skins were of particular interest to buyers of shoe manufacturers in Berlin, Paris and Prague. It must be borne in mind that manufacturers from all parts of Europe come to Leipzig in order to purchase new machinery for their factories, or to exhibit their finished products, and naturally these manufacturers are interested in the raw materials from which their manufactures are made. Most of these manufacturers do not import their raw materials direct, and in many cases they asked for the names and addresses of European agents of Indian exporters, which were given to them. It is gratifying to note that the Indian stand brought to the notice of these manufacturers raw materials which India exports and which, in the past, they had procured through the representatives of firms other than India.

The cost of the Indian stand this year amounted to under £200, and in considering the advantages of India's annual participation at the Spring Fairs of Leipzig, it must be borne in mind that, apart from the practical results achieved, the exhibition of Indian raw materials and manufactured goods should also be regarded in the light of a general publicity campaign.

At the present time, when an industrial revival is observed in many European countries, publicity on behalf of Indian raw materials is most necessary, so that India does not lose ground to her competitors but increases her volume of trade in spite of keen business competition. Participation at fairs has been recognised by the Governments of many important countries as an effective means of advertising their merchandise among buyers and manufacturers of the chief industrial centres in Europe, and India's interests are well represented at a Fair which is considered to be the most important on the European Continent.

Chapter VI—Miscellaneous.

This chapter will be devoted to an examination of the various classes of enquiries received in the Trade Commissioner's office other than those from Indian exporters and Continental importers. The following enquiries were received during the year under review from Government departments and officers, and from

Indian States.—The Bengal Department of Agriculture wrote and asked for certain jute statistics in regard to Germany, Austria, France, Belgium, Holland, Sweden and Poland. Enquiries were set on foot in all these countries and the required information was forwarded to the Department. The statistics asked for referred to raw jute consumption, the number of factories working, and the number of spindles, looms and workers employed. The Director-General of Commercial Intelligence wanted to know the causes of the alarming falling-off in the exports of Indian bonemeal to Belgium. The Belgian Department of Agriculture attributed the decline to a falling of the demand for gelatine and glue principally in Great Britain and the United States, who were the chief buyers of Belgian glue. It was reported that many Belgian factories had closed down and that others were working only up to a quarter of their capacity. The Belgian authorities added that bone manure constituted only a by-product of the industry. Information from other sources revealed that the decline was due to the substitution of chemical manures for bone manures. Local factories had begun to offer chemical fertilisers at very low prices to the poor farmers who had purchased less owing to the decline in the prices of agricultural produce. A former Director of Fisheries to the Madras Government wrote and asked us to obtain for him detailed information about the fishmeal industry in Germany. Extensive enquiries were made on his behalf and full information regarding the industry together with samples and technical literature was sent out to him. The Director of Industries Madras, was supplied with information regarding the possibilities of marketing Madras tapioca flour in a number of Continental countries where enquiries had been instituted. In Sweden the commodity was practically unknown and only very small quantities were used for certain industrial purposes. In Denmark this flour is in demand only when maize prices are high, it was reported that the Danish farmer was reluctant to handle tapioca flour because it was dusty and not easy to handle like maize. Most of the Danish supplies have hitherto come from the Dutch East Indies. The Danish merchants approached asked for samples and this was arranged. Switzerland in the past, has imported large quantities of tapioca flour and starch from various countries and a market can be found in Switzerland if prices are competitive. The names of Swiss firms interested in this enquiry were forwarded to the Madras Director one of them being anxious to form a connection with an exporter of good quality edible tapioca flour. The Imperial Council of Agricultural Research was, on request, supplied with full information regarding the percentage of castor seed husk in oilcakes permitted in Hamburg contracts and the scale of allowances in this connection. The Council also asked for information regarding comparative

prices of Indian and Argentine linseed at Continental centres. Extensive enquiries were made in Belgium, Holland and Germany, and prices ruling in Hamburg, Rotterdam, Antwerp and London were supplied to the Council. The Director-General of Commercial Intelligence made an enquiry for names of suppliers of machinery for the manufacture of absorbent cotton. It was ascertained that a German firm of manufacturers had a representative in India who was ordered to get in touch with the Indian enquirer with a view to supplying details regarding plans and estimates. The same officer asked us to find out the names of manufacturers of chain-making machinery. Enquiries were made and the addresses of two German manufacturers and two Belgian manufacturers were reported to India. The Director of Industries, United Provinces, was given the names of importers of bone manure in Germany. He was also supplied with information regarding the reasons for the decline in the imports of bone meal into Germany, where, according to the law, imports of bone meal are permitted only for the manufacture of gelatine and glue but not for use in agriculture, due to the fear of the spread of disease. The Minerals Adviser to the High Commissioner asked for statistics regarding German exports of magnesium chloride and magnesium sulphate and the countries of destination. Full information was sent to London. The Director of Industries, Madras, wanted estimates, plans, etc., for the construction of a factory for the manufacture of hurricane lanterns. Enquiries were made from firms manufacturing the requisite machinery, and full details regarding costs, plans, etc., were forwarded to the Director. The Forest Utilisation Officer, Madras, wrote and asked us to supply him with details regarding the manufacture of sugar from wood, which has been commenced recently in Germany on an experimental basis. A number of enquiries were made and the concerns interested in the experiment were good enough to supply us with details, literature, etc., which were forwarded to the Forest Department in Madras. The Madras Director of Industries desired to be furnished with names of manufacturers of machinery for paintmaking. Enquiries were made in Germany, Belgium and Switzerland, and the addresses of suitable manufacturers were forwarded to the Director. The Victoria Technical Institute, Madras, was given the names and addresses of importers of artware goods in various Continental countries and information was supplied regarding the classes of artware which were in popular demand in Europe. The Collector of South Kanara district wrote and asked to be furnished with names of importers of coir yarn in European countries; the names of suitable firms were supplied to this officer. The Trade Commissioner for Mysore in London wanted to be put in touch with important coffee dealers in Antwerp and Sweden. The necessary enquiries were made and the names of firms interested in the matter were supplied to

the Trade Commissioner. The Collector of Customs in Rangpo wrote and asked us to make an investigation on his behalf regarding a suspected misdeclaration in the values of certain shipment. The shipper was sent for and his explanation was forwarded to the Customs Department in Burma and the necessary 'impression' was made on the shipper in question. The Director of Industries, Punjab, wrote and asked for names of importers of wool, goat hair, dyeing materials and dried fruit in Germany. The addresses of suitable firms were forwarded to the Director of Industries, Punjab, and asked us to put him in touch with their requirements from German sources. The Director of Industries, Punjab wrote and asked us for making vegetable glue and Switzerland were transmitted to the Minerals Adviser in London after extensive enquiries as those countries mostly satisfy their requirements from German sources. The Director of Industries, Punjab wrote and asked us to put him in touch with manufacturers of machinery for making vegetable glue. Enquiries were made and an export firm well known to us sent out to the Director full information regarding costs, plans and technical details in regard to manufacture. The Director of Industries in Bikaner State wrote and asked for detailed information regarding the distillation of petrol from lignite coal. Extensive enquiries were made and the necessary information was forwarded to India. The Director of Industries, United Provinces, was supplied with names of firms in Germany and France manufacturing gauges for measuring the thickness of silver wire used in the gold and silver thread industry. The Director General of Commercial Intelligence wrote and asked for names of manufacturers and exporters of brass sheets in Germany and other countries. Enquiries were made and the addresses of suitable manufacturers and exporters forwarded to Lucknow. The Director of Industries, United Provinces, wrote and asked for the status of a German manufacturer of machinery for the manufacture of electric bulbs or status of the firm was reported to the Director who was supplied on request with the names of other manufacturers of machinery for electric bulbs and full details regarding costs and equipment for a factory in India for the manufacture of electric bulbs.

The following miscellaneous enquiries are referred to as being of special interest. The Pioneer Magnesia Works, Romli, wrote and asked for information regarding import duties on magnesia. We sent into various European countries dock charges at Ham- Antwerp and Rotterdam inland routes from these ports to inland centres and freight charges connected therewith. Extensive enquiries were made on behalf of the Romli firm. Full details were sent out to India. A Belgian firm and asked to be put in touch with manufacturers in India and Belgium which were sold in large quantities in the

Belgian Congo. Enquiries were made in India and the names of manufacturers of these pans were forwarded to the Belgian enquirer. The Comité des Forges de France (the Association of Iron and Steel Foundries in France) wrote and asked if it could be supplied with monthly statistics regarding the output of Indian pig iron and steel (ingots and casings). The Comité was furnished with a copy of "Monthly Statistics of the Production of certain selected Industries of India" and requested to apply to India House, London, for subscription rates. Arrangements were made with the Comité for the free supply of their publication "Bulletin Statistique Mensuel" to the office of the Director-General of Commercial Intelligence, Calcutta. The Bureau Voor Handelsinlichtingen, Amsterdam, wrote and asked for names of manufacturers in India of strings for tennis rackets. Suitable addresses were forwarded to the Amsterdam Bureau. The organisers of the All-India Industrial Exhibition at Delhi, February-April, 1934, solicited our aid in circularising German machinery manufacturers with a view to participation at the Delhi exhibition. Full particulars and literature were forwarded to the Reichsstand der Deutschen Industrie and its subordinate affiliated associations requesting them to circularise to all members who might be interested in exhibiting their machinery at Delhi. Several enquiries regarding the exhibition were received from machinery manufacturers and the firms were put in touch with the Managing Committee of the Delhi Exhibition. The British Chamber of Commerce in Switzerland wrote and asked for information regarding protection of trade marks in India against infringement. The Chamber was supplied with the appropriate regulations of the Indian Merchandise Marks Act and Manual. The Director-General of Commercial Intelligence asked to be supplied with information on behalf of the Indian Jute Mills Association, Calcutta, about the organisation, equipment and work of textile research institutes on the Continent, which would serve as suitable models for the proposed Research Institute of the Indian jute industry. Extensive enquiries in several countries were instituted and full details regarding existing research institutes were forwarded to Calcutta for transmission to the Indian Jute Mills Association. The Bengal Tanning Institute, Calcutta, asked us to make market enquiries into the possibilities of goran bark as a tanning material. Enquiries were made in several countries and it was ascertained that a wide-spread prejudice exists among tanners against goran bark on account of the red colour imparted to the leather tanned with this material. Several firms, however, agreed to make further experiments with good quality goran bark as promised by the Bengal Tanning Institute and asked for sample consignments of the bark with a view to reporting on these experiments. Unfortunately there was an inordinate delay in obtaining the samples of goran bark from

scutta, and the consignments were only shipped at the end of the year from Calcutta. They are now on their way to the manufacturers who have agreed to conduct these experiments. The Burma Rice Merchants' Association, Rangoon, wrote and asked for the names of manufacturers of rice mill machinery for us on rice farms. Enquiries were made and the names of manufacturers of the type of machinery required were forwarded to the Association together with plans, specifications, etc. An inventor who has discovered a process for utilising rice-bran and saw-dust for the manufacture of building material approached us with a view to making his process known to Government Departments and Directors of Industries in India, where both rice-bran and saw-dust are available at such cheap prices and in such large quantities. His patents and plans, etc., were forwarded to the Director-General of Commercial Intelligence who has circulated them among interested departments in India and Burma. The inventor has informed us that he has received enquiries from India about his patent process from interested parties there. An important Bombay firm of fresh fruit exporters wrote and asked us for detailed information regarding the possibilities of marketing Indian mangoes, oranges and bananas in Germany, and methods of packing, conditions of transport, etc. Extensive enquiries were made among trade experts and a full report on all the particulars asked for was sent out to the Bombay firm. Consequently fruit is as yet unknown in Continental markets. As regards quality and the prices they would be likely to fetch in the market. Moreover, the reaction of the public to an exotic fruit like the mango is an entirely unknown quantity. It is bananas and Indian oranges (tangerines or mandarines), the public here is accustomed to good quality fruit from other supplying countries, and the Indian fruit would have to be equal in quality, appearance and taste, and competitive regarding price to stand a chance with rival fruit from other countries. It is absolutely essential that if an experiment is to be started in sending fresh fruit from India to the Continent a beginning should be made with only small sample consignments for the purpose of testing the market here. Large trial consignments at the outset will certainly ruin the future prospects of Indian fresh fruit in Continental markets, as difficulties are bound to arise in the disposal of huge shipments of fruit that is unknown both to the dealer and the public. Delay will inevitably result in the ruin of the consignment will be huge losses to the shipper; the remainder will be sold at any prices for the sake of disposing of the fruit. The bad fruit, when it reaches the public, is certain to create a bad impression and will prejudice against Indian fruit for the future. It cannot, therefore

be too strongly emphasised that success in the marketing of Indian fruit on the Continent can only be achieved step by step. At the beginning small sample consignments should be sent, carefully and attractively packed for the European fruit market for the purpose of getting fruit dealers at this end acquainted with the Indian fruit so that they can form some idea of the prices likely to be fetched and of how the public taste will react to the new varieties. Then, if the Continental fruit dealers and Indian shippers have come to an understanding about prices and methods of packing, etc., further consignments, but still on the small side, will be necessary for testing out popular taste on a wider scale. When these intermediate consignments have proved successful, both financially and from the point of view of popularity, then, and only then, should larger consignments be made and a regular fruit trade established between India and the Continent. These remarks are based on the opinions and advice of the fruit experts here and on actual experience of disastrous fruit shipments from India made to England and France in the last two years in disregard of the advice tendered to shippers by the Trade Department in London of the High Commissioner's Office.

During the year a number of business visitors from India called at this office and sought the advice and assistance of the Trade Commissioner. The majority of these were importers who had come to Europe to seek new connections with Continental manufacturers and exporters or to meet business friends with whom connections had already been established. One visitor was introduced to manufacturers of fountain pens and pencils. Another visitor was put in touch with suppliers of toys and children's games. A gentleman was put in touch with firms interested in the importation of mica: he was also introduced to manufacturers seeking agents in India for hardware and dental instruments. A representative of a sports goods factory in Sialkot called here and was put in touch with sports goods dealers in Germany, Austria and Czechoslovakia. The manager of a hosiery factory in Calcutta wanted to be put in touch with manufacturers of the most up-to-date hosiery machinery; he was introduced to suitable manufacturers. Another gentleman was introduced to manufacturers of machinery for the production of pencils. One visitor was introduced to manufacturers of cheap watches and clocks in Germany and Switzerland. The representative of a soap factory in Bengal called and asked to be put in touch with latest developments in the manufacture of soap and perfumes. He was given an introduction to the Reichsstand der Deutschen Industrie through whom he was placed in touch with machinery manufacturers of the latest types of machinery. The proprietor of a large hardware stores was introduced to manu-

facturers and exporters of hardware. The representative chemist and druggist store in Calcutta was large manufacturers of chemicals and drugs in Germany to manufacturers of chemicals and drugs in Germany. Another gentleman the proprietor of a concern selling instruments and goods was put in touch with manufacturers his line. One visitor was introduced to manufacturing and stationery with a view to taking up their agency in India. Some of the visitors calling at the office had already introduced to us by means of a previous letter from the General of Commercial Intelligence & Statistics or a Trade Commissioner of the impending visit of a business man is recommended in as many cases as possible as it can be collected on his behalf. This can be done prior to his arrival if timely intimation is given of his visit by an advance letter introduction from the Director General of Commercial Intelligence or the Chamber of Commerce or trade association of which he is a member.

It will be recalled that an important function of the Trade Commissioner is to aid Indian importers seeking to establish connections with Continental manufacturers and exporters of manufactured goods provided such goods are not in competition with similar goods of Indian manufacture. During the course of the year under review numerous enquiries were received from Indian importers requesting the Trade Commissioner to put them in touch with manufacturers and exporters of a large variety of manufactured goods from all the industrial countries of Northern Europe. The following enquiries requested us to furnish him with the names of suppliers of silver bars and silver sheets in Germany and other countries. The addresses of several suppliers in Germany, France and Belgium were ascertained and forwarded to the Director General for transmission to the importers on whose behalf the enquiry was made. A Calcutta firm wanted to be put in touch with manufacturers of plywood slabs for tea chests. Inquiries were made and the names of suitable manufacturers were supplied to the Calcutta firm. Enquiries were made on behalf of a firm who wanted to be put in touch with extensive investigations were undertaken and the names of manufacturers in Denmark, Belgium, Germany, Norway, France and Holland were sent to the Director General of Commercial Intelligence for transmission to the Indian enquirer. He is therefore, requested to get into touch with the

General of Commercial Intelligence, Calcutta, for detailed information on the subject of machinery for the manufacture of paper and pasteboard. The Director-General of Commercial Intelligence sought the assistance of this office in obtaining on behalf of a Calcutta firm suitable agencies from German manufacturers of chemicals, hardware, cutlery and tools. Numerous enquiries were made, and the names of interested manufacturers were forwarded to the Director-General for transmission to the Calcutta firm. An Indian firm who was about to conclude a big contract with a German exporter of kerosene-petrol wired to us and asked us to ascertain the financial standing and reputation of the exporter. Enquiries were made and the substance of the information collected was cabled out to India, whereupon the contract was concluded. A firm in Baroda State wrote and asked us to put them in touch with manufacturers of lorry chassis and Diesel engines. After enquiries, the names of suitable manufacturers were forwarded to Baroda. A firm in Cawnpore was put in touch with manufacturers of colours with a view to taking on their agency in India. A firm of electrical contractors and engineers in the United Provinces were introduced to manufacturers of crucibles in Germany. A dealer in Lyallpur, Punjab, was put in touch with manufacturers of embroidery thread and embroidery machinery. A firm of contractors in the United Provinces wrote and asked to be put in touch with manufacturers of machinery for making gramophone records and gramophone motors. Enquiries were made and the names of two manufacturers were sent out to India. A firm in the Punjab was put in touch with manufacturers of latch needles for knitting machines. The same firm was subsequently introduced to exporters of woollen shawls. A firm in the North West Frontier Province was introduced to manufacturers of imitation gold and silver thread in Germany and France. A firm in Madras was put in touch with manufacturers of patent medicines, drugs and chemicals with a view to representation in India. A Sialkot firm was given the names of manufacturers of tennis frames and bends, silk bindings and plywood. A firm in Bombay was put in touch with exporters of slates and slate pencils for school use. A firm in Amritsar was given the names of manufacturers of tennis balls. A Lahore firm was put in touch with manufacturers of bronze powder, essential oils and hardware. A Calcutta firm was put in touch with German manufacturers of safety blasting fuses. A Madras firm was put in touch with suppliers of spring balances, scientific apparatus and scientific glass apparatus. The Director-General of Commercial Intelligence wrote on behalf of a firm and asked for names of manufacturers of aluminium, brass and German silver plate pressed wares and household utensils. The necessary enquiries were made and the names of reliable manufacturers were sent to the Director-General, for transmission to

the enquiring firm. The Director General of Commercial Intelligence wrote and asked on behalf of an engineering firm in Bombay for names of manufacturers of machinery for the production of switches and electrical accessories. Extensive enquiries were made, and the addresses of suitable manufacturers were forwarded to the Director General. The Director General of Commercial Intelligence made another enquiry for the names of manufacturers of machinery for the manufacture of playing cards. Enquiries were made and the addresses of manufacturers were sent to the Director General for transmission to the enquirer. Yet another inquiry made by the Director General of Commercial Intelligence was for names of manufacturers in Germany of machinery for sewing machines. The names of suitable manufacturers were supplied to the Director General after numerous enquiries. A firm in Bombay wrote and asked to be put in touch with manufacturers of small type motor cars in Germany with a view to an agency in Bombay. Enquiries were made and the names of two interested manufacturers were forwarded to Bombay. A firm in Calcutta was introduced to manufacturers of cardboard cartons, packing boxes, etc.

In this connection it will be useful to point out to Indian importers that this office is in a position to effect introductions to manufacturers and exporters in all the industrial countries of Northern Europe, e.g., Germany, France, Belgium, Holland and Sweden. Indian firms taking advantage of this service will find that they will be able to obtain competitive estimates from more than one country and thus place their goods in the most favorable market.

Chapter VII—Staff and Acknowledgments

The Indian Trade Commissioner's staff at Harburg consists of the following personnel—

- (i) A Chief Clerk
- (ii) An Assistant Clerk Sherthan Tijsit
- (iii) A Messenger Clerk
- (iv) A temporary additional Clerk

The Chief Clerk exercises general supervision over the work of the office. He is in charge of the cash and accounts; and he deals with all incoming mail and has the letters sorted and placed in the proper files for submission to the Trade Commissioner. He is in charge of all routine matters and files. He also interviews business and other visitors and attends to telephone enquiries in cases where the visits and enquiries are not personally addressed to the Trade Commissioner. When the Trade Commissioner is absent from headquarters on tour or on leave, the Chief Clerk assumes charge of the office. The Assistant Clerk is in charge of the registers of incoming and outgoing letters and maintains all confidential files and all important files which are in constant demand by the Trade Commissioner and the Chief Clerk. The Assistant Clerk performs the greater portion of the shorthand and typing work of the office, is in charge of the office library and the work of maintaining it up to date, and carries out other secretarial work demanded by the Trade Commissioner and the Chief Clerk. The Messenger-Clerk maintains all the general office files and is responsible for placing them in their appropriate cabinets. He sorts all incoming letters and places them in their proper files. He also performs a good deal of shorthand-typing work. He carries out the preparatory work in connection with the receiving of exhibition goods for the Leipzig Fair and also sees to their re-despatch after the close of the Fair. The Leipzig work takes up a good part of this officer's time from January to May every year. He is also responsible for the issue of circular routine letters and questionnaires to business firms in Continental countries. The temporary additional Clerk has the entire work of maintaining the card-index systems of the office relating to importers and exporters and the registers of business firms in India and the Continent. This clerical officer is also in charge of the office stamps and the outgoing mail work. Proposals have been submitted for placing her on a semi-permanent basis, as the important work of maintaining up to date and efficiently the card-indexes and registers of business firms in India and the various Continental countries requires the attention of a whole-time officer and cannot be left to the other officers who have their hands full with the duties already allotted to them. I record here my deep gratitude to the staff of my office for their loyal support and unflinching zeal. The efficiency of the office is largely due to the ungrudging support given to the Trade Commissioner by each member of the staff.

In concluding this Report I express my thanks and appreciation to the departments of the Governments to which I am accredited as Trade Commissioner for the courtesy and attention which they have always given to me. I owe a deep debt of

gratitude to the diplomatic, consular and commercial officers His Britannic Majesty's Government in all the countries with my jurisdiction for their willing help and co-operation in my work and for their valuable advice and guidance whenever I have appealed to them for assistance in India and Europe for their Commerce and trade associations. I also take this opportunity of expressing my gratitude to the proprietors and editors of newspapers and publications in India for their continued support in sending their papers and publications to the Office Library where they are of great value to visitors and enquirers who much appreciate the existence of a regular Indian news and intelligence service in Hamburg

25th May, 1934

S A GUPTA

APPENDIX A—I

IMPORTS INTO GERMANY OF PRINCIPAL COMMODITIES EXPORTED
FROM INDIA.

(In Doppelzentnern: 1 Dz. = 100 kilos, 10 Dz. = 1 metric ton.)

		January to December, 1931.	January to December, 1932.	January to December, 1933.
Jute	Total	834,578	759,384	1,112,870
(raw and waste)				
Share: British India	...	833,991	754,674	1,110,294
China	...	746	1,511	570
Dutch Indies	...	—	3,199	1,027
Jute bags	Total	31,645	14,024	17,946
Share: British India	...	10,919	5,251	3,098
Czechoslovakia	...	13,573	406	6,975
Holland	...	2,906	2,678	3,738
Belgium	...	—	3,817	3,221
Jute cloth	Total	11,800	10,970	18,103
(sacking)				
Share: British India	...	7,217	3,393	1,312
Holland	...	376	3,654	8,319
Ethiopia	...	471	2,229	4,599
Czechoslovakia	...	2,011	1,270	3,610
Jute cloth	Total	5,124	6,729	9,912
(bleached, dyed and worked)				
Share: British India	...	3,537	5,327	8,516
Holland	...	—	892	—
Switzerland	...	636	—	746
Cotton	Total in bales	1,558,873	1,779,537	1,968,840
(raw)				
Share: British India	...	294,914	113,179	192,318
U.S.A.	...	1,111,215	1,389,110	1,469,531
Egypt	...	88,293	98,547	118,291
Peru	...	49,885	37,686	42,956
	Total in Dz.	3,254,774	3,747,159	4,165,578
Share: British India	...	378,885	205,808	356,741
U.S.A.	...	2,767,194	2,970,131	3,131,010
Egypt	...	203,505	329,399	389,859
Peru	...	102,095	83,916	97,046
Indian hemp	Total (Dz.)	11,703	20,492	31,361
Share: British India	...	1,770	17,774	26,033
Dutch Indies	...	3,336	1,794	4,013
China	...	1,365	—	394
Sisal hemp	Total	289,047	353,666	434,433
Share: British India	...	1,449	6,510	4,760
Dutch Indies	...	104,562	118,139	141,726
British East Africa	...	28,015	63,692	137,628
Coir fibre	Total	9,242	10,353	5,675
Share: British India	...	4,951	5,078	2,793
Ceylon	...	4,245	5,030	2,828

APPENDIX A—I (continued)

		January to December 1931	January to December 1932	January to December 1933
Cotton yarn	Total	62,232	81,649	91,287
Share:	British India and Ceylon	24,417 2,471	67,933 1,245	84,334 2,417
Rice—polished	Total	1,322,657	1,205,099	1,135,605
Share:	British India	404,834	471,514	473,477
	Siam	94,206	109,792	162,771
	U.S.A.	27,603	247,254	178,373
	Italy	106,440	79,051	117,916
	French India	60,477	81,419	82,774
	Dutch Indies	130,303	97,249	77,904
Rice—unpolished	Total	2,742,346	2,641,671	1,937,839
Share:	British India	2,566,865	2,179,775	1,772,632
	Siam	1,832	66,270	82,109
	Italy	3,776	19,151	48,927
	Dutch Indies	22,166	210,918	9,421
	Peru	32,370	84,577	41,114
Rice bran	Total	892,976	1,387,214	345,735
Share:	British India	371,045	675,332	109,219
	Siam	14,607	113,633	68,737
	U.S.A.	39,471	192,271	64,603
	Netherlands	110,244	70,603	37,477
	Dutch Indies	27,676	92,877	29,801
	Italy	165,741	64,244	12,516
Coffee (raw)	Total	1,564,473	1,302,956	1,293,974
Share:	British India	16,739	9,746	8,414
	Brazil	689,829	577,340	494,000
	Guatemala	291,670	270,607	223,772
	Salvador	169,047	104,474	131,152
Tea	Total	52,943	47,976	48,907
Share:	British India	15,632	17,604	11,111
	Dutch Indies	20,601	11,000	27,471
	Ceylon	10,567	9,376	7,574
	China	6,143	3,000	3,751
Pepper	Total	51,516	51,647	53,259
(Black and white)				
Share:	British India	12,394	9,934	8,471
	Dutch Indies	37,529	31,613	34,429
	British Malaya	6,006	10,100	9,359
Gut and Duri	Total	8,072,349	7,397,296	2,540,534
(Share of Duri exporting Countries)				
Share:	British India	27,346	261,677	6,777
	British East Africa	34,077	7,443	19,211
	Egypt	58,791	757	—
	Peru	278,044	47,777	7,671
	China	207,039	1,777,313	6,774
	Palawan	54,923	3,107	—
	Other Asiatic Countries	222,065	29,072	—
Woolen	Total	62,705	57,839	67,975
Share:	British India	62,103	56,677	64,472
	Turkey	—	—	2,503

APPENDIX A—I (continued).

				January to December, 1931.	January to December, 1932.	January to December, 1933.
Cow hides	Total	722,566	773,620	815,747
(wet)						
Share: British India	...	...	2,304	830	560
Argentina	...	...	243,273	309,241	283,917
Uruguay	...	...	79,004	60,673	88,866
Brazil	...	...	96,195	63,162	72,697
Cow hides	Total	217,120	182,970	231,593
(dry)						
Share: British India	...	...	38,934	22,576	45,138
Brazil	...	...	43,656	34,411	42,772
Argentina	...	...	43,542	39,992	41,725
Sheep skins	Total	57,009	57,901	59,239
(raw)						
Share: British India	...	...	380	308	1,547
Soviet Russia	...	...	22,173	28,780	21,205
Iceland	...	...	9,314	5,449	2,724
Goat skins	Total pieces	4,633,831	5,220,452	4,742,993
(raw)						
Share: British India	...	...	1,210,242	1,196,116	1,152,624
Spain	...	...	343,609	1,048,160	842,576
Egypt	...	...	217,331	662,958	670,922
China	...	...	314,834	376,251	218,159
Reptile skins	Total pieces	1,535,734	3,383,430	3,675,487
(raw)						
Share: British India	...	...	182,978	640,322	546,228
Brazil	...	...	743,301	1,735,159	1,489,737
Dutch Indies	...	...	368,999	357,978	425,766
Argentina	...	...	9,550	81,337	417,556
Goat Skins	Total pieces	1,215,933	2,034,210	3,649,336
(prepared)						
Share: British India	...	...	—	512,573	1,827,845
Great Britain	...	...	126,208	508,028	1,119,877
France	...	...	548,568	431,888	251,680
U.S.A.	...	...	364,325	473,353	226,642
Sheep and Lamb skins	Total pieces	6,011,177	7,522,314	10,501,671
(prepared)						
Share: British India	...	...	—	155,468	676,717
Great Britain	...	...	2,223,198	2,790,970	4,537,382
France	...	...	1,378,023	2,368,826	2,716,708
Belgium	...	...	1,219,674	1,108,690	1,637,349
Teak	Total in Dm.	10,350	4,220	10,043
Share: British India	...	...	4,540	2,570	6,318
U.S.A.	...	...	1,977	—	1,020
Siam	...	...	1,433	1,143	1,617
Rapeseed	Total (Dm.)	159,710	185,937	250,039
Share: British India	...	...	23,243	106,825	157,622
Poland	...	...	29,777	33,596	32,244
Danzig	...	...	27,068	18,191	10,755
Roumania	...	...	63,324	19,000	7,073

APPENDIX A-1 *continued*

		January to December 1931	January to December 1932	January December 1933
Seed	Total	8,419 8 100	12,219 12,317 3,517	17,044 15,377 1,534
Share: British India British West Africa				
Groundnuts (undecorticated)	Total	854,408 3,619 170,870 354,433 183,937	242,777 24,4 118,023 72,843 40,611	319,360 1,474 144,341 127,843 72,200
Share: British India China French West Africa British West Africa				
Groundnuts (decorticated)	Total	4,933,301 4,024,523 404,267 433,752	2,177,303 1,623,000 387,021 134,919	2,627,182 2,114,809 236,271 176,102
Share: British India China British West Africa				
Linseed	Total	3,404,931 109,160 3 134 4-3	4,463,134 89,651 4,236,153	3,522,789 1,356,1 3,233,246
Share: British India Argentina				
Kopra	Total	1,431,257 60,692 1 121,8-3 91,000 83 117	1,306,389 46,542 1 034,776 84,677 63,043	1,217,814 12,447 929,662 61,312 52,014
Share: British India Dutch Indies British Malaya Ceylon				
Oilseeds				
Cotton seed	Total	679,728 9 100 7 433 51 064 162,596 111 570 61,553	821,296 4 891 66,711 110,300 119 000 92,940 134,277	443,954 8,873 101,277 101 170 9,400 64,553 34,872
Share: British India Soviet Russia U.S.A. Argentina Egypt Brazil				
Groundnut	Total	1,702,996 753,331 297 023 153,022 131 969	1,894,163 784 461 667 427 134 131 51 741	1,222,079 578 873 417 872 83 876 62 774
Share: British India France Argentina Holland				
Share	Total	969,747 47 037 443,914 141 279	1,012,037 81 137 442,976 204 774	742,308 67 114 317 272 161 977
Share: British India Philippines Dutch Indies				
Share	Total	1,070,236 14 900 279 600 70 764 1 14 000 172 647 207 127	1,166,563 43 741 522,743 37 107 91,303 109,000 62,211	853,367 15 818 412,107 64,227 32,113 63,862 23 447
Share: British India Soviet Russia Czechoslovakia Poland Holland U.S.A.				

APPENDIX A—I. (continued).

	January to December, 1931.	January to December, 1932.	January to December, 1933.
Animal bone manure, blood meal, etc.			
Total	349,116	263,344	288,511
Share : British India	42,985	20,762	29,701
Argentina	100,465	114,259	144,018
Holland	27,130	26,690	19,774
Bone meal	85,348	43,222	46,589
Share : British India	48,710	28,416	37,319
Denmark	11,753	5,598	6,465
Argentina	14,001	8,280	593
Gum lac	30,644	24,132	21,146
Share : British India	29,015	23,769	20,588
Siam	681	244	353
Shellac	24,748	19,945	17,797
Share : British India	24,426	19,216	17,271
Dutch Indies	141	416	390
Pig iron	1,174,787	626,282	747,324
Share : British India	153,753	91,137	71,681
France	362,633	210,849	213,354
Sweden	104,867	64,629	130,329
Saar Territory	203,891	68,742	101,492
Great Britain	132,585	87,904	76,360
Tin	135,132	121,098	148,723
Share : British India	13,682	29,328	18,972
Dutch Indies	60,424	34,311	60,341
British Malaya	24,587	23,869	17,183
Manganese	1,623,613	1,067,791	1,319,255
Share : British India	233,858	56,667	300,435
Soviet Russia	1,114,574	853,380	859,766
Dutch Indies	35,125	32,346	50,547
Nickel ore	195,892	176,984	345,126
Share : British India	25,885	28,032	31,179
Greece	159,916	143,256	271,865
Wolfram ore	48,223	17,141	37,664
Share : British India	11,689	6,318	13,977
China	28,845	8,857	19,068
Mica	3,467	3,939	5,806
Share : British India	2,553	3,095	3,885
British East Africa	58	32	402
Great Britain	211	142	280

APPENDIX A—I (continued).

		January to December 1931	January to December 1932	January December 1931
Pig lead				
Share: British India	Total	645,702	508,568	628,84
Australia		19 905	18,000	2,04
Mexico		243 124	245,104	237 94
U.S.A.		17 405	87,578	78 94
		53 851	32,254	51 173
Magnesite				
Share: British India	Total	800 002	345,796	832 877
Austria		3 904	2 012	—
Czechoslovakia		213 948	150 705	242 101
		116 556	84 137	145 732
Paraffin wax				
Share: British India	Total	128,295	162,314	187,832
U.S.A.		17,264	12 723	18 847
Soviet Russia		90 859	119 810	139 850
Dutch Indies		318	4 657	13 079
		8,478	8,145	10 906

APPENDIX A—II.

IMPORTS INTO GERMANY OF PRINCIPAL COMMODITIES EXPORTED
FROM INDIA.

(In Doppelzentners : 1 Dz. = 100 kilos ; 10 Dz. = 1 metric ton.)

	January to March, 1932.	January to March, 1933.	January to March 1934.
Jute Total	202,876	276,522	350,457
(raw and waste)			
Share : British India	202,115	275,960	349,020
Jute bags Total	2,745	14,182	2,552
Share : British India	1,246	2,449	409
Czechoslovakia	406	—	1,337
Netherlands	842	3,257	531
Jute cloth Total	2,323	4,481	5,907
(sacking)			
Share : British India	1,426	504	—
Netherlands	—	3,087	2,369
Czechoslovakia	204	—	1,988
Estonia	—	689	1,220
Jute cloth Total	116	1,322	349
(bleached, dyed and worked)			
Share : British India	—	1,211	—
Cotton Total in bales	518,390	499,794	511,597
(raw)			
Share : British India	35,362	38,114	47,400
U.S.A.	410,633	387,387	357,638
Egypt	35,187	36,839	46,004
Total in Dz.	096,921	1,074,306	1,078,427
Share : British India	63,180	70,581	86,158
U.S.A.	869,799	821,319	764,423
Egypt	116,344	120,872	153,434
Indian hemp Total	4,513	8,937	9,477
Share : British India	4,263	7,943	7,721
Dutch Indies	250	—	204
Sisal hemp Total	71,697	80,271	100,379
Share : British India	—	1,056	1,064
Tanganyika	12,073	18,212	35,051
Dutch Indies	12,035	30,484	28,727
British East Africa	31,349	18,567	11,124
Coir fibre Total	2,630	1,164	2,759
Share : British India	1,116	722	—
Ceylon	1,401	442	—
Coir yarn Total	18,061	21,265	26,569
Share : British India	17,712	20,710	25,162
Ceylon	—	—	1,195

APPENDIX A—II (continued)

		January to March, 1932.	January to March, 1933	January to March 1934
Rice	Total	228,832	279,449	128,379
(polished)				
Share	British India	84,082	84,727	36,562
	Siam	10,546	5,006	26,725
	French India	11,000	11,500	20,231
	Italy	24,100	29,470	15,225
	U.S.A.	74,096	53,741	9,271
Rice	Total	365,128	323,644	387,083
(unpolished)				
Share	British India	313,716	294,717	2,9,032
	Italy	—	21	60,870
	Siam	—	1,696	32,723
Rice bran	Total	253,640	254,284	396
Share	British India	106,037	94,059	949
	U.S.A.	54,937	50,299	—
	Siam	—	68,210	—
Coffee	Total	354,068	296,570	353,328
(raw)				
Share	British India	2,607	1,910	1,831
	Brazil	197,562	107,441	134,994
	Guatemala	52,975	52,611	71,212
	Colombia	12,922	19,329	41,133
	Salvador	24,764	27,402	32,277
Tea	Total	12,365	10,809	10,935
Share	British India	3,261	2,776	2,504
	Dutch India	8,810	4,933	8,009
	Ceylon	2,654	2,270	2,176
Pepper	Total	12,208	12,094	11,617
(white and black)				
Share	British India	2,608	2,426	2,421
	Dutch India	7,439	6,800	7,264
	British Malaya	1,960	2,770	1,864
Maize and Dali	Total	1,734,581	982,358	794,576
Share of Dali Exporting countries				
	British India	153,512	3,001	—
	British East Africa	491	—	914
	India	116,000	951	—
	China	31,573	2,000	—
	Japan	1,478	—	—
	Other Asiatic countries	14,616	203	—
Myrabolans	Total	18,943	18,809	19,490
Share	British India	18,643	18,415	19,291
Cow hides	Total	158,703	168,322	265,259
(wet)				
Share	British India	241	172	—
	Argentina	66,003	72,717	81,637
	U.S.A.	13,941	8,502	17,905

APPENDIX A—II. (continued).

				January to March, 1932.	January to March, 1933.	January to March 1934.
ow hides ... ..	...	...	...	52,822	61,845	62,099
(dry)	Share:	British India	...	6,574	7,204	9,777
		Argentine	...	12,774	15,060	14,732
		Brazil	...	12,087	13,011	11,932
sheep skins ... ..	...	...	...	13,355	12,159	19,782
(raw)	Share:	British India	...	—	—	550
		Soviet Russia	...	6,679	3,635	7,878
		Iceland	...	786	745	2,906
oat skins ... ..	...	...	...	1,034,319	1,037,832	1,514,933
(raw)	Share:	British India	...	237,418	135,773	384,105
		Spain	...	172,818	172,136	342,394
		Czechoslovakia	...	99,068	105,820	140,500
		Egypt	...	50,100	143,078	109,400
ptile skins ... ..	...	...	...	475,156	894,962	697,815
Share:	British India	...	...	62,318	162,340	55,825
	Argentine	...	...	—	—	256,016
	Brazil	...	...	211,207	467,241	176,633
	Dutch Indies	...	...	102,044	47,616	102,714
oat Skins... ..	...	...	...	291,599	826,633	824,205
(prepared)	Share:	British India	...	—	470,942	377,383
		Great Britain	...	29,030	224,297	253,551
		U.S.A.	...	147,148	60,431	62,589
		France	...	89,426	44,670	32,484
sheep & Lamb Skins	...	...	...	1,534,372	2,143,322	3,250,097
(prepared)	Share:	British India	...	—	166,112	196,366
		Great Britain	...	629,233	985,966	1,491,937
		Belgium	...	265,024	262,004	644,416
		France	...	405,693	432,704	413,334
		Netherlands	...	135,290	95,033	220,087
oak ... ..	...	...	...	2,887	1,276	5,389
Share:	British India	...	...	1,972	521	3,634
ape seed ... ..	...	...	...	25,615	64,882	58,652
Share:	British India	...	...	7,031	39,845	44,459
	Poland	...	...	8,005	5,873	6,480
	Soviet Russia	...	...	—	—	3,399
nger seed ... ..	...	...	...	5,694	4,562	3,247
Share:	British India	...	...	3,632	2,845	3,141
roundnuts ... ..	...	...	...	100,123	175,331	165,375
(undecorticated)	Share:	British India	...	15,969	52,805	8,574
		British West Africa	...	16,297	4,259	108,541
		China	...	22,333	27,719	32,659
		French West Africa	...	41,719	88,795	14,224

APPENDIX A—II (continued)

		January to March 1934	January to March 1933	January to March 1932
Groundnuts (decorticated)	Total	888,143	742,108	822,983
Share:	British Ind a	03,305	5 9 185	640 41
	British West Africa	9 441	96 495	15 75
	China	6,044	44 5	670 44
Linseed	Total	835 459	1,225,755	1 057,255
Share:	British Ind a	40 10	44 444	34 444
	Argentina	8 347	11 2,444	11 21
Kopra	Total	311 728	259 421	775,465
Share:	British India	41 785	4	1 314
	Dutch Indies	3 444	1 44	41 4 3
	Ceylon	42 01	44	67 6 1
Oilseeds				
Cottonseed	Total	154,872	244 929	2,825
Share:	British India	14		
	Argentina	3 31	33 64	1 4
	U.S.A.	4 94	0 011	1
Groundnut	Total	483,427	677 719	6,508
Share:	British Ind a	1 43	374 1	44
	Switzerland	1 4	1 35	1 31
	Italy	15 234	74 4	14 5
	France	161 609	414 61	13 3
Kopra	Total	223,713	354 485	14 226
Share:	British Ind a	0 666	44 4 7	3 4
	Philippines	104 49	1 374	0
	Dutch Indies	49 567	74 3	6 1 4
Linseed	Total	317 006	354,594	11,354
Share:	British Ind a	19 500	3,443	
	Soviet Russia	154 076	1 344	8,510
	Italy	1 344		9,323
Animal bone manure blood meal, etc.	Total	65,573	82,814	93,749
Share:	British Ind a	11 544	15,430	6,343
	Argentina	19 1 0	7,343	40,247
	U.S.A.	34 6	3 43	14 614
Bone Meal	Total	11 878	16,095	11 728
Share:	British India	7 0 5	13 112	0,243
	Argentina	4 64	444	
Guano	Total	9 003	4,401	7,394
Share:	British India	8 043	4 446	7,312
Shellac	Total	4 940	4,846	4,861
Share:	British Ind a	4 43	4 443	4 4 7

APPENDIX A—II. (continued).

					January to March, 1932.	January to March, 1933.	January to March 1934
Pig iron	Total				126,351	184,801	222,824
Share: British India	...	...	...	...	20,444	27,445	30,036
France	...	...	...	...	40,924	43,730	61,697
Sweden	...	...	...	...	9,777	23,284	39,497
Saar Territory	...	...	...	...	14,062	19,711	32,083
Tin (raw)	Total				27,974	33,693	39,273
Share: British India	...	...	...	...	5,260	7,757	3,772
Dutch Indies	...	...	...	...	9,910	10,755	15,817
Netherlands	...	...	...	...	958	2,618	4,748
Manganese	Total				266,855	339,033	465,024
Share: British India	...	...	...	...	6,576	102,976	15,407
Soviet Russia	...	...	...	...	236,291	206,809	391,347
British West Africa	...	...	...	...	—	—	15,986
Nickel ore	Total				6,655	66,554	130,588
Share: British India	...	...	...	...	5,012	2,095	8,984
Greece	...	...	...	...	—	60,960	107,493
Canada	...	...	...	...	—	—	11,582
Wolfram ore	Total				6,484	9,798	9,402
Share: British India	...	...	...	...	4,337	2,980	1,959
China	...	...	...	...	1,405	6,061	6,306
Mica	Total				751	1,058	1,810
Share: British India	...	...	...	...	664	926	1,110
Pig lead	Total				118,405	71,274	149,841
Share: British India	...	...	...	...	16,539	—	—
Australia	...	...	...	...	27,953	37,086	59,146
Mexico	...	...	...	...	24,642	12,136	55,245
Paraffin wax	Total				24,306	33,920	43,166
Share: British India	...	...	...	...	3,288	2,697	6,019
U.S.A.	...	...	...	...	18,866	27,244	30,231

APPENDIX B

PRICES OF PRINCIPAL INDIAN COMMODITIES QUOTED ON HAMBURG
 BREMEN EXCHANGES DURING DIFFERENT PERIODS OF THE YEAR

	April, 1933	July 1933	October 1933	January 1934	March 1934
Oils (Hamburg, in Marks per 100 k los)					
Linseed Oil	26	41	26½	24½	23½
Groundnut O I	29	34½	23½	21½	19½
Castor Oil	26½	43-40	38-35½	33-30	22½-20 per 101 kilos
Oilseeds (Hamburg, in Mark per 50 k los)					
Cocos	5-35-40	7-70-75	8-45-50	8-60-70	8-40-40
Palm	4-95-5-	6-60-70	7-15-20	7-85-90	7-45-50
Linseed	5-30-35	7-30-40	8-05-10	8-60-70	8-50-60
Rape	3-40-50	6-50-65	6-60-70	7-75-80	7-40-45
Groundnut	5-30-35	7-75-80	7-80-85	8-70-80	7-90-85
Oilseeds (London, in £ per ton).					
Linseed	9½	11½	10½	11	11½
Groundnuts	10½	11½	9½	8½	8½
Palmkernels (Liverpool)	8½	9½	8½	7½	7½
Castorseed	9½	11½	9½	9½	9½
Spices (Hamburg, in Marks per 100 kilos duty un paid)					
Cinnamon	74-10	78-110	64-91	71-9	64-94
Pepper Black Lampung	64	65	49	64	6
do. white Muntok	80	85	76	103	111
Cotton (East Indian, Hamburg in pence per lb.)					
Superfine mgd. Scinde white roughish Green on Clause I	3-85	4-70	3-70	3-60	3-75
Fine Comra Standard I Green Clause II	4-25	4-95	4-25	4-45	4-70

APPENDIX B (continued).

	April, 1933.	July, 1933.	October, 1933.	January, 1934.	March, 1934.
Cotton (Liverpool, in pence per lb.).					
American Middling ...	—	6·01	5·41	5·88	6·61
Egypt, Sakels F.G.F. ...	—	8·15	7·14	8·53	8·99
M.G. Surtee F.G. ...	4·93	5·54	4·94	5·18	5·70
M.G. Broach F.G., good staple ...	4·52	5·08	4·37	4·50	4·89
M.G. Punjab - American F.G., good staple ...	4·50	5·05	4·52	4·76	5·04
Central Provinces, Oomra No. 1, staple superfine ...	4·58	5·23	4·70	4·90	5·22
M.G. Bengal F.G. ...	3·84	4·17	3·64	3·96	3·83
M.G. Bengal F.G., superfine	4·04	4·37	3·84	4·16	4·03
Shellac (London, in shillings and pence per owt.).					
T.N. Orange ...	43/6	64/6	60/-	94/6	92/6
Shellac (Hamburg, in marks per 100 kilos ex ware- house Bremen).					
T.N. Orange ...	—	95-110	84-100	140-155	140-155
Button lac ...	—	120-140	110-125	150-175	150-175
Tea (London, in pence per lb.).					
Pekoe	7½-8½	8½-13½	10½-25	10½-11½	13½-16½
Broken Pekoe ...	7½-24	8½-11	10½-25½	10½-13	13-18½
Orange Pekoe ...	7½-26½	9-15	11-30	11½-27½	13½-29
Broken Orange Pekoe ...	7½-32½	8½-53	11-34½	11-25½	13½-28
Indian Northern ...	9·85	9·51	15·04	14·75	14·45
Indian Southern ...	10·80	9·58	12·45	14·67	14·33
Ceylon ...	11·34	11·49	17·76	16·00	15·48
Java ...	—	8·24	10·07	12·09	12·30
Sumatra ...	—	7·55	9·73	11·70	11·86
Jute (London, in £ per ton).					
First Marks ...	14½	16½	14½	16½	16½
Inferior Marks ...	14½	16	14	14½	14½

APPENDIX B (continued)

	April, 1933	July, 1933	October 1933	January 1934	March 1934
Rice (Hamburg).	in sh per 50 kilos, duty un-paid		in marks per 50 kilos, Monopoly tax	including duty paid	
Burma L.R. B	8/-	9/3	9 80	10 15	10 15
Bassett 00 0 polished	8/3	10/-	10 85	11 21	11 70
do 0000 polished	9/6	11/6	12	12 35	12 35
Montmore 000	12/-	12/7½	—	13 70	12 70
Arracan 00 000	11/-	10/6	10 50	11 50	11 50
Biam 000 polished	10/0	13/3	12 05	13 45	13 45
do 0000 polished	12/3	15/0	14 05	15 45	15 45
Patna 000 polished	15/3	18/-	—	—	17 60
Broken I	7/6	8/4½	8 20	8 55	8 15
Broken II	7/1½	8/1½	7 85	8 70	8 70
	in marks per 50 kilos, duty paid				
Italian 6 0 polished	—	12—	11 50	11 15	11 30
Extra fancy blue rose	—	17 25	18 55	19 50	19 50
do Carolina	—	16 60-17½	18 55	—	—
Approximate Rate of exchange : £1 equal to	—	—	Rm 13 —	Rm 13 67	Rm. 12 79

PRICES OF PRINCIPAL INDIAN COMMODITIES QUOTED ON

	January, 1934.			
	1st week.	2nd week.	3rd week.	4th week.
Oils (Hamburg, in Marks p. 100 kilos).				
Linseed Oil	25	24½	25½	24½
Groundnut Oil	23½	22½	22½	21½
Castor Oil (in £ per 1016 kilos) ..	28½-26½	28-26	28-26	28-26
Oilseeds (Hamburg, in Marks p. 50 kilos.)				
Cocos	8-80-85	8-65-70	8-70-75	8-50-55
Palm	7-95-8-	7-85-90	7-90-95	7-60-65
Linseed	8-75-80	8-65-70	8-70-75	8-75-80
Rape	7-80-85	7-75-80	7-80-85	7-60-65
Groundnut	8-35-40	8-7-8-05	8-7-8-05	7-90-95
Oilseeds (London, in £ per ton).				
Linseed	10½	10½	11½	11½ ₆
Groundnuts	8½	8½	9	8½
Palmkernels (Liverpool)	7½	7½	7½	7½
Castorseed	9½	9½	9½	9½
Spices (Hamburg, in Marks p. 100 kilos, duty unpaid).				
Cinnamon	68-92	74-92	70-94	74-90
Pepper, black Lampung	62	62	62	62
Pepper, white Muntok	102	103	102	96
Cotton, East Indian (Hamburg, in pence per lb.).				
Superfine mgd Sainde white roughish				
Bremen clause 1.	3-55	3-80	3-85	3-80
Fine Oomra Standard 1				
Bremen clause II.. .. .	4-15	4-45	4-50	4-45
Cotton, (Liverpool, in pence per lb.).				
American Middling	5-39	5-88	5-97	6-07
Egypt Sakels F.G.F.	7-79	8-53	8-33	8-52
M.G. Surtee F.G.	4-77	5-18	5-24	5-33
M.G. Breach F.G. good staple	4-09	4-50	4-56	4-52
M.G. Punjab-American F.G. good staple	4-35	4-76	4-82	4-80
Central Province Oomra No. 1, staple				
superfine.. .. .	4-51	4-90	4-96	4-89
M.G. Bengal F.G.	3-57	3-96	4-02	3-95
M.G. Bengal F.G. superfine	3-77	4-16	4-22	4-15

NIX C.

BREMEN/HAMBURG EXCHANGES JANUARY-MARCH, 1934

February, 1934				March, 1934			
1st week	2nd week	3rd week	4th week	1st week	2nd week	3rd week	4th week
21½ 20½ 25-25	21½ 20½ 28-26	21½ 20½ 28-20	21½ 19½ 28-26	21½ 20½ 28-26	25½ 19½ 25-26	26 19½ 28-27	26 19 28-27
8 45-50 7 50-55 8 00-55 7 55-60 7 65-60	8 50-55 7 55-60 8 65-60 7 50-55 7 00-55	8 65-70 7 65-70 8 65-70 7 45-50 8 05-70	8 60-65 7 60-65 8 65-70 7 80-45 8 10-15	8 00-65 7 60-65 8 65-70 7 45-60 7 25-8 -	8 35-60 7 45-60 8 55-60 7 40-45 7 25-8	8 50-55 7 45-60 8 55-60 7 30-35 7 20-35	8 45-60 7 30-35 8 55-60 7 15-20 7 05-8 -
11½ 11½ 7½ 9½	11½ 8½ 7½ 9½	11½ 8½ 7½ 9½	11½ 8½ 7½ 9½	11½ 8½ 7½ 9½	11½ 8½ 7½ 9½	11 8½ 7½ 9½	10½ 7½ 6½ 9½
68 72 68 96	68-92 68 94	68-92 68 92	68 92 68 80	68 62 92	68 92 62 93	68 92 62 92	68 92 66 89
3 80 4 45	3-95 4 70	3 85 4-60	3-70 4 45	3 70 4 45	3 75 4 50	3 70 4 45	3 60 4 35
5 23 5 07 5 45 4 84 4 93	5 70 5 37 5 07 4 86 5 13	5 66 5 20 5 16 4 95 5 23	5 49 5 85 5 61 4 80 5 02	5 55 5 96 5 65 4 84 5 06	5 61 5 37 5 70 4 87 5 04	5 53 5 75 5 59 4 78 5 00	5 46 5 75 5 53 4 72 5 24
5 01 4 07 4 37	5 14 4 30 4 40	5 23 4 14 4 34	5 03 3 83 4 03	5 10 3 85 4 03	5 32 3 83 4 03	5 11 3 72 3 72	5 05 3 66 3 96

	January, 1934.			
	1st week.	2nd week.	3rd week.	4th week.
<i>Shellac</i> (London in rh. & d. per cwt.).				
T.N. Orange	92/6	94/6	102/-	93/-
<i>Shellac</i> (Hamburg, in Marks per 100 kilo ex warehouse Bremen).				
T.N. Orange	—	—	—	140-155
Button lac	—	—	—	150-175
<i>Tea</i> (London, in pence per lb.)				
Pekoe	101-112	101-112	131-142	131-214
Broken Pekoe	101-11	101-11	13-22	131-164
Orange Pekoe	111-101	111-271	13-241	141-201
Broken Orange Pekoe	101-25	11-251	14-251	14-251
Indian Northern	15-31	14-75	—	15-27
Indian Southern	14-25	11-67	—	14-81
Ceylon	15-61	16-09	—	16-12
Java	11-70	12-09	—	12-53
Sumatra	11-44	11-70	—	12-15
<i>Jute</i> (London in £ per ton)				
First marks	16	161	161	16
Inferior marks	141	141	151	141
<i>Rice</i> (Hamburg, in Marks per 50 kilos, incl. Monopoly tax Duty paid)				
Burma R/O, old crop	10-15	10-15	10-15	10-15
Bav. em, 00,0 polished old crop	11-20	11-20	11-20	11-20
new crop	—	—	—	11-30
Bav. em 0000 old crop	12-35	12-35	12-35	12-35
Arracan 00,000 old crop	11-20	11-20	11-50	11-50
new crop	—	—	—	11-60
Siam 000 polished old crop	13-45	13-45	13-45	13-45
new crop	—	—	—	13-60
Siam 0000 polished old crop	15-15	15-15	15-45	15-45
new crop	—	—	—	15-60
Moulmein 000 old crop	13-20	13-20	13-20	13-20
new crop	—	—	—	13-35
Broken I old crop	8-55	8-55	8-55	8-55
new crop	—	—	—	8-65
Broken II old crop	8-20	8-20	8-20	8-20
new crop	—	—	—	8-30
Extra fancy 1141 rice, pol. old crop	19-50	19-50	19-50	19-50
Italian 6/0 polished old crop	11-15	11-15	11-15	11-15
Patna 000 polished new crop	—	—	—	17-85
Rangoon R/O new crop	—	—	—	10-25

APPENDIX D

LIPZIGER FRÜHJAHRSMISSE 1931

*Ausstellung von Indischen Waren organisiert von der Indischen Regierung
im Ringmesshaus 5 Obergeschoss Koje 10*2/1113*

<i>Namen</i>	<i>Ausstellungsgegenstände</i>
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The Chrome Leather Co Chromepet	Indisches Leder
Chas Dickenson & Co Ltd London W 1	Chutneys Currypulver
Government Silk Institute P O Nati nagar Bhagalpur	Seidentücher Shawis und andere Seidenwaren
Girdharimull Ramlal Gouti Calcutta Vertreter D M Mall & Hamburg Immenhof	Indische Jute
V P Harry & Co Narespur	Gekluppelte Spitzendecken
Chatturam Harilram Ltd Jhansi Telangana Vertreter H W G Stramm Berlin Charlottenburg Berliner Strasse 1*2 140	Misc
R M Imam M Ikram Saharanpur	Holzschneidereien Testablaie 7 ga ständenden Rauchtische etc
Jonah & Joseph Awarapur	Handgekluppelte Spitzendecken
B Karm Chand Payara Lal Hoshiarpur	Holzschneidereien Testablaie mit Eisenbeinsetzungen etc
Max Otto Kienig Hamburg 6 (Katharinenstrasse 4)	Indische Tees
Karl Raja Lal Salkot City	Tennisschläger Hockeyschläger und sonstige Sportartikel
Marshall & Co Ltd Bombay	Mangomas eingemachte Früchte Nundabs und Teppiche u Laufen
Rajanbhai Meherally & Son Bombay	Indische Teppiche
C A Naidu London	Currypulver Chutneys
New India Sports Co Salkot City India	Tennisschläger Fussbälle Tennistennis etc
The North and South Works Salkot City	Sportartikel

O. O. M. (London) Ltd., London, E.C. 1. 4a, Newgate Street	Handgeknüpfte Teppiche
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F. X. Pereira & Sons, Quilon. Vertreter: Hüpeden & Co., Hamburg, Raboisen 96	Ilmenitsand, Ziroonsand, Monazitsand
Punjab Arts & Crafts Depot, Lahore ..	Messingwaren, Schnitzereien Kunstgegenstände
Punjab Ivory Works, Amritsar	Elfenbein-Schnitzereien
J. A. Rizvi & Co., Raipur	Schlangenhäute, Reptilhäute
J. A. Sharwood & Co., Ltd., London ..	Chutneys, Currypuder
Sydenham & Corlett, London, E.C. 3, 35, Great St. Helens, Bishopsgate	Cocanada Palmyra Faser
The Trade, Comumissioner for Mysore, London, W.2, Trafalgar Square	Mysore Kaffee, Sandelholzöl
Wigglesworth & Co., Ltd., London, Vertreter: Nussbaum & Co., Hamburg, Gröningerstrasse 8	Indischer Hanf

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